



IDEA

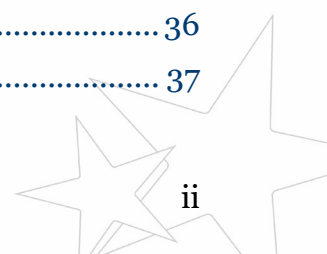
Part B Funding Manual

October 2022



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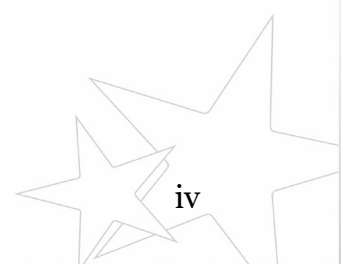
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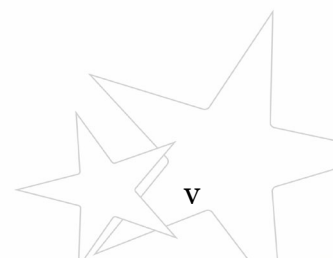


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Glossary

APR – Annual Performance Report
CCEIS – Comprehensive Coordinated Early Intervening Services
CEIS – Coordinated Early Intervening Services
CFR – Code of Federal Regulations
EDGAR – Education Department General Administrative Regulations
EI – Educational Interpreter
ESA – Education Scholarship Account
ESEA – Elementary and Secondary Education Act
ESSA – Every Student Succeeds Act
ESY – Extended School Year
FAPE – Free Appropriate Public Education
FFY – Federal Fiscal Year
FY – State Fiscal Year
GEPA – General Education Provision Act
IDEA – Individuals with Disabilities Education Act
LEA – Local educational agency
LRE – Least Restrictive Environment
MAGIC – Mississippi Accountability System for Government Information and Collaboration
MCAPS – Mississippi Comprehensive Automated Performance-Based System
MDE – Mississippi Department of Education
MOE – Maintenance of Effort
ODHH – Office of Deaf and Hard of Hearing
OGM – MDE Office of Grants Management
OMB – Office of Management and Budget
OSE – MDE Office of Special Education
OSEP – Office of Special Education Programs
OTSS – Office of Technology and Strategic Services
PAR – Personnel Activity Report
PBS – Positive Behavior Specialist
RFP – Request for Proposal
SEA – State Education Agency
SPP – State Performance Plan
UGG – Uniform Grant Guidance



Acknowledgements

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In Collaboration With:

WestEd

MDE Office of Grants Management

Mississippi State University Research and Curriculum Unit



I. Purpose and Authority for Special Education Fiscal Compliance and Accountability

- a. The Mississippi Department of Education (MDE) special education fiscal compliance and accountability procedures ensure compliance and appropriate financial management of federal and state special education funds.
- b. These procedures are grounded in the Individuals with Disabilities Education Act (IDEA) and the Education Department General Administrative Regulations (EDGAR). Those two laws contain the post-award requirements for federal funds allocated to MDE under IDEA and from MDE to its local educational agencies (LEAs), including school districts and charter school LEAs.
- c. MDE must ensure fiscal accountability at each phase in the distribution and use of IDEA Part B funds that are set aside by MDE for state-level activities and flowed through to LEAs (both Part B section 611 and section 619 preschool funds). MDE has established policies and procedures for calculating, allocating, requesting, accessing, reporting, and verifying IDEA Part B flow-through and discretionary funds. Please note, the timelines included throughout this document are subject to change. The purpose of MDE's IDEA Funding Manual is to provide a comprehensive overview of fiscal policies, procedures, and mechanisms through which MDE meets IDEA and EDGAR requirements, including:

Administrative Responsibilities of State Educational Agencies (SEAs) and LEAs

- Compliance with statutes ([34 CFR §76.700](#))
- Fiscal control and fund accounting ([34 CFR §76.702](#))
- Period of fund obligation ([34 CFR §76.703, 707, 708, 709, 710, 711](#))

Allocation of Funds to LEAs ([34 CFR §76.51, 34 CFR §300.705](#))

- Adjustment of allocation for new LEAs ([34 CFR §§76.796, 797](#))

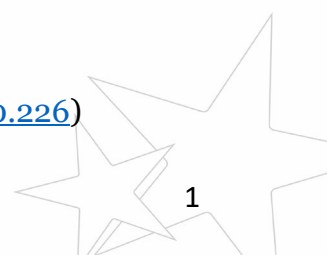
Allocation of Funds to Charter Schools ([34 CFR §§76.785-794; 34 CFR §300.705](#))

Allowable Activities and Costs

- Ensure LEAs use IDEA funds to pay for allowable activities of providing special education and related services ([34 CFR §300.16 and 300.202](#))
- Ensure LEAs use IDEA funds to pay excess costs of providing special education and related services ([34 CFR §300.16 and 300.202](#))
- Use of funds ([34 CFR §76.760 and 76.761](#))
- Allowable costs ([2 CFR §200.403, 404, 405](#))
- Equipment ([2 CFR §200.313\(c\), \(d\), \(e\)](#))
- Supplies ([2 CFR §200.314](#))
- Acquisition of real property ([34 CFR §76.533](#))

Comprehensive Early Intervening Services (CEIS)

- Provide guidance in tracking and using CEIS funds ([34 CFR §300.226](#))



- Require reporting on CEIS ([34 CFR §300.226\(d\)](#))
- Direct the use of 15% of LEA IDEA allocation for CEIS when significant disproportionality is identified ([34 CFR §300.647\(b\)\(2\)](#))

Enforcement of Terms of Grant Awards

- GEPA enforcement of legal requirements ([34 CFR §81](#))

Excess Costs

- Calculate the amount that must be expended on the education of students with IEPs before Federal IDEA Part B funds may be used for excess costs of special education and related services ([34 CFR §300.202\(a–b\)](#))
- Show the required amount was spent on the education of students with IEPs ([34 CFR §§300.202\(b\)\(2\)\(i\), 300.163\(a\), 300.175\(b\), 300.227\(a\)\(2\)\(ii\)](#))

Financial Management Systems Standards

General Cost Principles

- Ensure that costs are necessary, reasonable, allowable, and allocable ([34 CFR §76.530](#))

Indirect Costs ([34 CFR §76.563, 76.564, 76.569](#))

- General management costs—restricted rate ([34 CFR §76.565](#))
- Fixed costs ([34 CFR §76.566](#))

LEA Eligibility for IDEA Part B Flow-through Funds

- LEA Application and Assurances ([34 CFR §300.200; §76.300–304, §76.400–76.401; GEPA 34 CFR §81.1–45; 34 CFR §300.221](#))
- SEA review of LEA grant application and approval ([34 CFR §76.400–401](#))
- Changes to approved program/budget
- LEA policies, practices, and procedures ([34 CFR §300.201](#))

Maintenance of Effort (MOE)

- Ensure LEAs maintain effort, including exceptions and adjustments to MOE ([34 CFR §300.203, §300.204, §300.205](#))
- Prohibit reduction in MOE if LEA not meeting IDEA Part B requirements ([34 CFR §300.608\(a\)](#))

Monitoring and Reporting Program Performance (including fiscal)

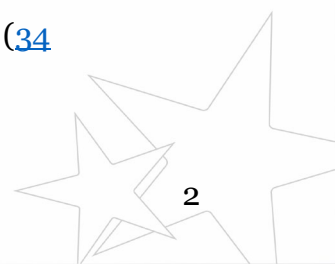
- Financial reporting ([2 CFR §200.327](#))
- Reporting requirements for SEA and LEAs ([34 CFR §76.720–722](#))
- Non-federal audit ([2 CFR §200.513\(a\)\(3\)\(ii\)](#))
- Single audit requirements ([2 CFR §200.100\(d\)](#))

Period of Availability

- Closeout of grant ([34 CFR §200.332\(a\)\(6\)](#))

Private School Students ([34 CFR §76.650–662](#))

- Determination of LEA’s proportionate share of IDEA funds to be spent on equitable services ([34 CFR §300.133](#))
- Ensure proportionate share funds do not benefit a private school ([34 CFR §300.141](#))



- Ensure appropriate use of public and private school personnel to provide equitable services ([34 CFR §300.142](#))
- Ensure proportionate share funds remain in control of LEA ([34 CFR §300.144\(a\)](#))

Procurement

- Subawards to debarred and suspended providers ([34 CFR §300.213](#))

Records Related to Grant Funds (34 CFR §76.730)

- Retention and access requirements for records (including fiscal) ([34 CFR §200.333](#))

Schoolwide Programs

- Ensure appropriate calculation and condition of funds used for schoolwide programs ([34 CFR §300.206 \(a\)–\(b\)](#))
- Provide guidance in calculating and using schoolwide program funds
- Ensure that students with disabilities receive services in accordance with a properly developed IEP and are afforded all rights and services afforded under the IDEA ([34 CFR §300.206\(c\)](#))

SEA Eligibility

- Standards ([34 CFR §§76.50, 76.201, 76.202, 76.235, 76.500](#))
- SEA application and state plan to Office of Special Education Programs (OSEP) ([34 CFR §§76.100–106, §76.140–142](#))
- Subgrants ([34 CFR §76.50-53](#))
- Maintenance of State Financial Support ([34 CFR §300.163](#))

Supplement Not Supplant (SNS)

- Ensure IDEA funds supplement and do not supplant the level of other federal, state, and local funds ([34 CFR §300.162\(c\)](#), [300.202\(a\)\(3\)](#))
- Ensure LEAs do not commingle IDEA funds with state funds, and expend funds appropriately ([34 CFR §300.162\(b\)](#))

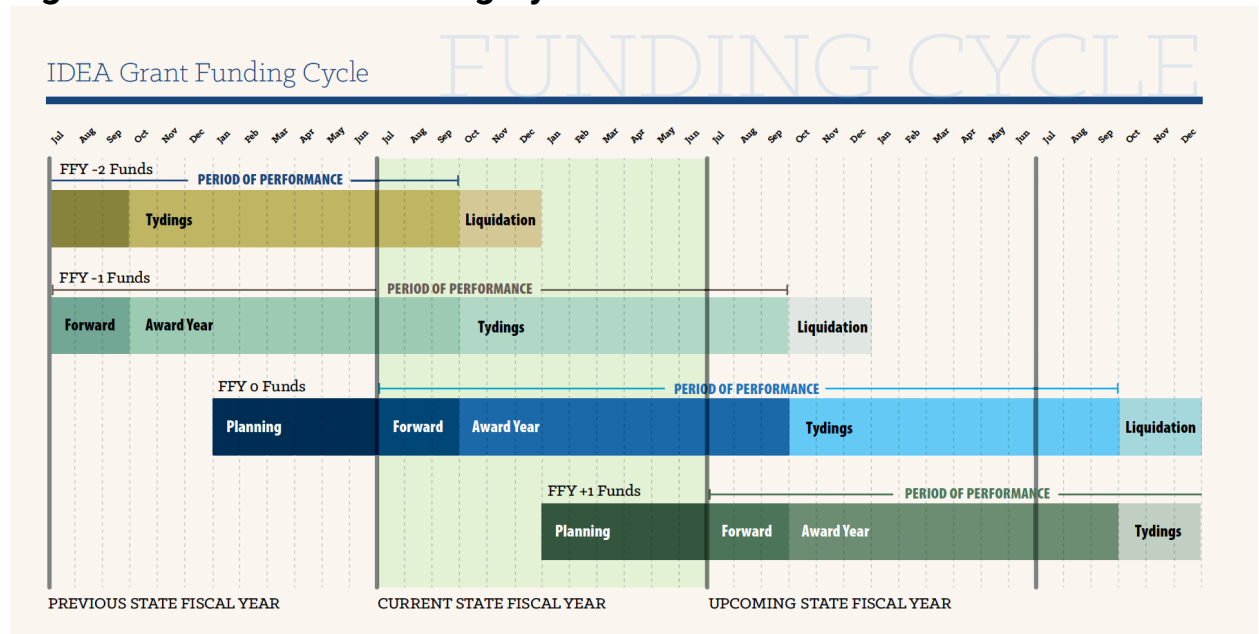


II. Period of Availability

1. Timely Expenditure of IDEA Funds

- a. Federal regulations establish a 27-month period of performance when LEAs can obligate awarded IDEA Part B funds.¹ The following figure shows the period of availability and demonstrates that there are three grants from different federal fiscal years (FFYs) at any time.

Figure 1. IDEA Grant Funding Cycle



Source: IDEA Fiscal Timeline, Center for IDEA Fiscal Reporting (<https://cifr.wested.org/>)

- b. Each year, MDE determines an amount of funds to set aside from its federal Part B state award for state-level activities as allowed by [34 CFR §300.704](#), [300.813](#), and [300.814](#). MDE may elect to set aside 100% of the maximum amount of funds for state-level activities from its IDEA section 611 grant and IDEA section 619 grant or a percentage of those funds based on necessary activities determined by the department. In years when MDE does not elect to set aside 100% of the maximum amount of funds for state-level activities, all remaining funds are allocated to LEAs based on its current IDEA Part B Allocations formula.
- c. Record retention requirements are based on the IDEA Grant Funding Cycle. Fiscal records must be retained for a minimum of six years from the date funds are made available to LEAs. Following the period of liquidation, MDE must submit a final expenditure report to the U.S. Department of Education by June of the subsequent year. LEAs are required to retain fiscal records for a minimum of three years following MDE's submission of its final expenditure reports for that funding period.²

¹ [2 CFR §200.309](#) and [§200.77](#); [34 CFR §76.709](#) and [§76.710](#)

² [2 CFR §200.334](#)



III. Allocation of IDEA Part B Subgrants to LEAs

1. Purpose of an Authority

- a. The federal authority for these procedures can be found at [34 CFR §300.705](#) (subgrants of IDEA section 611 funds) and [300.815](#) and [300.816](#) (subgrants of IDEA section 619 funds). Mississippi's authority for making subgrants to other agencies, including LEAs, is at [Mississippi Code Title 37: Education §37-23-135](#).

MDE receives two federal grants each year under IDEA to provide special education and related services to children ages 3 through 21.
- b. First, MDE applies for a grant under section 611 of IDEA for children ages 3 through 21. The federal determination of the amount of that state grant is outlined in the IDEA regulations at [34 CFR §300.703](#). MDE receives SEA allocation tables from OSEP, generally by March 1. If MDE does not receive the allocation tables by March 1, MDE will contact OSEP to determine the status of the allocation tables. After setting aside necessary and allowable amounts for state administration and other state-level activities, MDE calculates and allocates the remainder of the grant as subgrants to LEAs.
- c. In addition, MDE applies for an annual grant under section 619 of IDEA. This is a smaller grant that the state receives to provide special education and related services to children ages 3 through 5. The federal determination of the amount of that state grant is outlined in the IDEA regulations at [34 CFR §300.807](#), [808](#), [809](#), & [810](#). MDE receives SEA allocation tables from OSEP, generally by March 1. If MDE does not receive the allocation tables by March 1, MDE will contact OSEP to determine the status of the allocation tables. An IDEA section 619 subgrant may be used for specific activities related to special education (e.g., child find, evaluations) for children ages 3 through 5 served in preschool or kindergarten programs. LEAs that do or could serve 5-year-old children in kindergarten receive a subgrant under IDEA section 619, even if they have no preschool program.
- d. MDE may reserve a portion of its IDEA section 611 for administrative and other state-level activities ([34 CFR §300.704](#), [300.812](#), [300.813](#), & [300.814](#)). While MDE currently does not reserve a portion of its section 619 funds, it reserves the right to do so in the future. The amounts reserved are restricted by IDEA regulations and reported annually in MDE's application for federal Part B funds on the OSEP Excel Interactive Spreadsheet provided to each state. This state-specific worksheet provides the state immediate feedback as to whether the amounts it intends to set aside for specific activities are in accordance with the limitations of IDEA. OSEP provides the spreadsheet to states annually upon confirmation of final allocation amounts.
- e. After reserving an amount for state-level activities, MDE uses a specific formula to allocate the remaining funds as subgrants to LEAs, including charter school LEAs that submit an application to the state demonstrating eligibility for IDEA funds. This formula, required by IDEA regulations, consists of a base payment amount and amounts that are determined by student population and poverty measures for each LEA. The formula is applied separately to IDEA section 611 and section 619 subgrants ([34 CFR §300.705](#), [300.815](#), [300.816](#), and [300.817](#)). LEAs that receive an IDEA subgrant but do not currently serve students with disabilities still may receive IDEA funds that may be used for purposes including child find and evaluation.



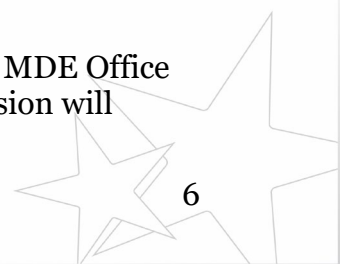
NOTE: The following procedures describe how MDE allocates annual subgrants to LEAs.

2. Applicability of Procedures to Eligible LEAs, including Eligible Charter School LEAs

- a. In Mississippi, LEAs responsible for providing free appropriate public education (FAPE) to children with disabilities under IDEA may be eligible to receive IDEA subgrants. This includes school districts, charter school LEAs, and other state agencies that serve as LEAs and are responsible for providing FAPE to children with disabilities. These procedures apply to all eligible LEAs in the state, including charter school LEAs.
- b. Charter school LEAs are defined in state regulation in Mississippi Code Title 37. Education §37-28-45. Under IDEA, charter schools that are not LEAs under state law are not eligible for an IDEA subgrant ([34 CFR §300.209](#)). MDE allocates subgrants to charter school LEAs in the same manner that it allocates subgrants to other LEAs in the state.
- c. LEAs do not need to be currently serving children with disabilities to be eligible for IDEA section 611 and section 619 subgrants. LEAs that serve children ages 3 through 5 are eligible for both IDEA section 611 and 619 subgrants. LEAs do not need to have preschool programs to be eligible for IDEA section 619 subgrants — the subgrants are based on the ages of children served, not grade levels. If an LEA could serve 5-year-old children in kindergarten, regardless of whether the children have disabilities, the LEA is eligible for an IDEA section 619 subgrant. However, if an LEA is not responsible for educating children ages 3 through 5, such as an LEA with only a high school, it is not eligible for an IDEA section 619 subgrant.
- d. To receive IDEA section 611 and section 619 subgrants, the LEA must submit an annual Part B Funding Application to the state. The application provides assurances that the LEA meets specific requirements (listed in [34 CFR §300.200 – 213](#)) about the use of funds and has policies and procedures in place to ensure that children with disabilities receive FAPE. Mississippi reviews each LEA’s application according to the internal LEA eligibility application processes. Under [34 CFR §300.221](#), an LEA may appeal the state’s determination that the LEA is not eligible for IDEA section 611 or section 619 funds through the state’s appeals process.
- e. LEAs may not subgrant IDEA funds to another LEA. The LEA that establishes eligibility under IDEA and receives a Part B subgrant is the LEA responsible for ensuring Part B requirements are met.

3. Appeals Procedures Regarding IDEA Funding Decisions

- a. At least annually (and more frequently if needed), each LEA will receive written initial notification of LEA status and amount of IDEA funding.
- b. If an LEA is unable to establish eligibility to receive an IDEA award, the MDE Office of Special Education (OSE) will notify the LEA in writing. The OSE decision will

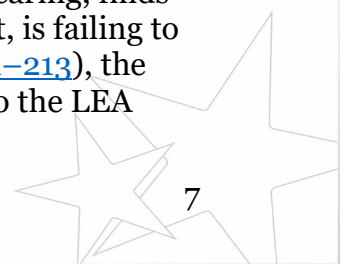


become final 30 days after the date of the notification if the LEA does not respond with a written appeal. A written appeal may be filed if the LEA has documentation to support that the information/data the decision is based upon is inaccurate.

- c. To file a written appeal of the IDEA funding decision, please contact the OSE State Director of Special Education in writing within 30 days of receiving the IDEA funding letter. Please include a statement regarding the decision and/or data to be reviewed in the appeal and include documentation supporting the claim. Written appeal requests and documentation should be sent to:

Mississippi Department of Education
Office of Special Education
Attn: State Director of Special Education
P.O. Box 771
Jackson, MS 39205-0771

- d. Upon receipt of a written appeal, the OSE will provide the LEA with an opportunity for a hearing and convene a committee to review the appeal and documentation submitted by the LEA. Upon completion of the review by the committee, the OSE will provide a written response to all written appeals within 30 days. This decision will be final.
- e. The issue of appeals based on fiscal and funding matters occurs in several places in the IDEA Part B Federal regulations.
 1. If the SEA finds an LEA to be in noncompliance with the provisions of the IDEA, the SEA must not make any final determination that the LEA is not eligible for assistance under Part B without first giving said LEA reasonable notice and an opportunity for a hearing ([34 CFR §300.155](#)).
 - a. If MDE determines that an LEA is not eligible for funds under Part B, then MDE must notify the LEA of that determination and provide the LEA with an opportunity for a hearing ([34 CFR §300.221](#)).
 - b. Within 30 days after receiving a request for a hearing, MDE shall hold a hearing on the record and review its actions. No later than 10 days after the hearing, MDE shall issue its written ruling, including findings of fact and reasons for the ruling. If MDE determines its action was contrary to state or federal statutes, regulations, or rules that govern the program, MDE shall rescind its action.
 2. The LEA, in providing for the education of students with disabilities within its jurisdiction, must have in effect policies, procedures, and programs that are consistent with state policies and procedures ([34 CFR §300.201](#)).
 3. If the SEA, after reasonable notice and an opportunity for a hearing, finds the LEA has been determined to be eligible under this subpart, is failing to comply with any requirement for eligibility ([34 CFR §300.201–213](#)), the SEA must reduce or must not provide any further payments to the LEA

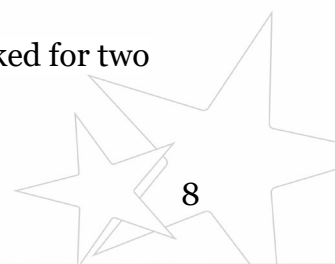


until the SEA is satisfied that the LEA is complying with that requirement ([34 CFR §300.222\(a\)](#)).

- a. Any LEA in receipt of a notice described in section 1 above, shall, by means of public notice, take the measures necessary to bring the pendency of an action pursuant to this section to the attention of the public within the jurisdiction of the agency ([34 CFR §300.222\(b\)](#)).
- b. The SEA must consider any decision resulting from a hearing held under the procedural safeguards in [34 CFR §300.511 through 300.533](#) that is adverse to the LEA involved in the decision ([34 CFR §300.222I](#)).

4. If the SEA determines that the LEA:

- a. Has not provided the information needed to establish the eligibility of the LEA under Part B of the IDEA or elected not to apply for its Part B allotment.
 - b. Is unable to establish and maintain programs of free appropriate public education that meet the requirements of these rules.
 - c. Is unable or unwilling to be consolidated with one or more LEAs in order to establish and maintain the programs.
 - d. Has one or more students with disabilities who can best be served by a regional or state program or service delivery system designed to meet the needs of these students.
- f. Then MDE must use the payments that would otherwise have been available to an LEA to provide special education and related services directly to students with disabilities residing in the area served by that LEA ([34 CFR §300.227](#)) in the manner and at the locations the SEA considers appropriate. The services must be provided in accordance with Part B of the IDEA.
- g. Times and situations when the SEA might decide to act in a way that affects LEA funding:
1. Local policies, procedures, and programs not submitted, not consistent with state policies and procedures; changes to local policies, procedures, and programs not submitted for approval ([34 CFR §300.201](#)).
 2. Excess costs requirements not met ([34 CFR §300.202](#)).
 3. Maintenance of effort eligibility requirement not met ([34 CFR §300.203](#) and [300.204](#)).
 4. Schoolwide ESEA (if any): plan not submitted, funds not tracked, students not provided with identification, evaluation, eligibility, and FAPE ([34 CFR §300.206](#)).
 5. Personnel development: LEA not ensuring that personnel to carry out Part B are appropriately and adequately prepared ([34 CFR §300.207](#)).
 6. Early intervening services (if any): plan submitted, students tracked for two years ([34 CFR §300.208](#)).



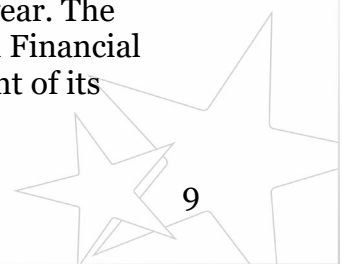
7. Information not provided to SEA relating to information on the performance of students with disabilities ([34 CFR §300.211](#)).
8. Not making public documents related to the eligibility of the LEA ([34 CFR §300.212](#)).
9. Records not kept for linking migratory students with disabilities ([34 CFR §300.213](#)).
10. Compliance errors not corrected within one year.
11. Not meeting the requirements of Part B, including the targets in the State Performance Plan (SPP), MDE must prohibit the LEA from reducing the LEA's maintenance of effort for any fiscal year ([34 CFR §300.608](#)).
12. Unallowable costs included in budgets related to special education programs and/or services.
13. Misclassified students whose evaluation report does not support or substantiate the classification of a disability condition will be considered erroneously classified as not eligible to be counted for state or federal funds.
14. LEA thinks any funding decision is based on inaccurate data.

4. Timeline for Calculating and Allocating Subgrants to LEAs

- a. The MDE OSE and Office of Grants Management (OGM) are responsible for implementing these procedures. Staff will maintain capacity through annual training and review of the requirements related to the allocation of Part B subgrants to LEAs.
- b. The period of availability for IDEA subgrants under both IDEA section 611 and section 619 is up to 27 months, from July 1 of the award year until September 30 two years subsequent. This period is not extended beyond 27 months from July 1 of the award year if the LEA does not submit its subgrant applications within the state's timelines. This means, for example, that federal fiscal year (FFY) 2021 or state fiscal year (FY) 22 IDEA funds are available for obligation from July 1, 2021, to September 30, 2023. Funds obligated by September 30, 2023, must be liquidated by December 29, 2023.
- c. MDE requests that LEAs liquidate funds by a date determined by the Office of Accounting through the Requests for Funds Schedule of each year. However, an LEA may submit a written request to the OGM if it requires additional time to liquidate funds through the period of availability of the IDEA subgrant. More information on the timeline for IDEA funds is included in the please refer to Section II.1. Timely Expenditure of IDEA Funds section of these procedures. See [Figure 1](#) for the annual timeline, detailed activities, and responsible staff or office.

Charter School LEA Funding Timelines

- a. In the fall of each year, the Charter School Authorizer Board approves new or significantly expanding charter school LEAs for the subsequent school year. The Charter School Authorizer Board then notifies the MDE Office of School Financial Services to ensure that the charter school LEA is awarded the full amount of its



eligible IDEA section 611 and section 619 funds, including the base payment amount, within five months of the date the charter school LEA opens or significantly expands ([34 CFR §76.793](#)).

Calculation of Preliminary and Final Allocations

- a. Preliminary allocations are based on projections received from the Charter School Authorizer Board. Final allocations are completed in the fall using actual enrollment data. The remaining procedures are followed during the preliminary and final allocation process.

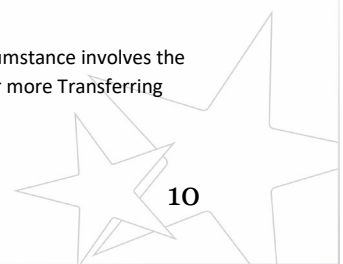
5. IDEA Part B Base Payments

- a. In allocating IDEA Part B subgrants to its LEAs, including charter school LEAs, each fiscal year, the OGM uses a three-part formula that consists of (1) a base, including any applicable base adjustments, and amounts calculated using student (2) population and (3) poverty measures. This section covers procedures for establishing the base payment amount for each LEA.
- b. The statewide total available for the base payments remains constant (except when federal appropriations for IDEA section 619 fall below the 1997 appropriation level). Individual LEA base payments stay constant from year to year except in cases where adjustments are required (see **Base Payment Adjustments** section below).
- c. The original base payment amount for each eligible LEA was:
 - The amount the LEA would have received under IDEA section 611 if MDE had distributed 75% of the state’s FFY 1999 IDEA section 611 grant using the December 1, 1998, child count.
 - The amount the LEA would have received under IDEA section 619 if MDE had distributed 75% of the state’s FFY 1997 IDEA section 619 grant using the December 1, 1996, child count.
- d. Base payment amounts are calculated by the OGM, reviewed and approved by the OSE, and stored on MDE’s secure shared network in the IDEA Part B Allocations folder. Base payment amounts are adjusted as required, according to the circumstances detailed in the “Base Payment Adjustments” section of these procedures.

6. Base Payment Adjustments

- a. In accordance with [34 CFR §300.705\(b\)](#) and [300.816](#), the OGM adjusts IDEA section 611 and section 619 base amounts for affected LEAs³ in each of the following circumstances:
 - A new LEA, including a new charter school LEA, is created and is serving children with disabilities.

³ **Affected LEA** - An LEA that is affected by one of the circumstances requiring a base payment adjustment. Each such circumstance involves the transfer of responsibility to provide free appropriate public education (FAPE) to children with disabilities away from one or more Transferring LEAs to one or more Assuming LEAs. Both the Transferring and Assuming LEAs are the Affected LEAs.



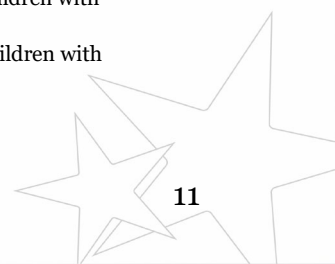
- Two or more LEAs are combined into a new, single LEA.
 - Two or more LEAs have changed geographic boundaries or administrative responsibility for providing services to children ages 3 through 21 for IDEA section 611, or to children ages 3 through 5 for IDEA section 619, including when an LEA closes.
 - An LEA that received a base payment of zero in its first year of operation is now serving children with disabilities.
- b. In addition, base payment amounts are adjusted when a charter school LEA significantly expands in accordance with MDE’s official definition. Subgrants are made to a new charter school LEA in the same manner they are made to a new LEA.
 - c. Any newly opening or significant expanding charter school must be approved by the Mississippi Charter School Authorizer Board. In the fall of each year, the Mississippi Charter School Authorizer Board notifies the MDE Office of Finance and the OGM of any new charter school LEA or a significant expansion of a charter school LEA.
 - d. Each year, prior to calculating the LEA allocation amounts under IDEA section 611 and section 619, the OGM, OSE, and other relevant offices review LEA data to determine whether IDEA section 611 or section 619 base payment adjustments are necessary and which LEAs are affected.
 - e. The Mississippi Charter School Authorizer Board, Special Education Programs Office, MDE Office of Technology and Strategic Services (OTSS), and School Financial Services Office provide the OGM with data on any new LEAs or changes in the configuration of LEAs in the state. When MDE determines that a base payment adjustment is necessary, the LEA that assumes responsibility for children with disabilities must provide reports to the OGM that include the numbers of children with disabilities for whom responsibility is assumed by the LEA and identify the LEA that would have been responsible for providing FAPE for each child with a disability. Failure to provide the required data, and to do so in a timely manner, may result in a delay in the base payment adjustment.

Calculation Methodology

- a. The OGM calculates each Affected LEA’s base payment adjustment separately for IDEA section 611 and section 619 subgrants and submits to the OSE for review and approval. For each Transferring LEA⁴, the method calculates the amount of the base payment that must be redistributed to the Assuming LEA⁵. The amount of the adjustment is based on the number of children with disabilities for whom responsibility changes due to the circumstance.

⁴ **Transferring LEA** - an Affected LEA that transfers responsibility to an Assuming LEA to provide FAPE to children with disabilities.

⁵ **Assuming LEA** - an Affected LEA that assumes responsibility from a Transferring LEA to provide FAPE to children with disabilities.



Reduction of a Transferring LEA's Base Payment

- a. When responsibility for one or more children with disabilities transfers away from an LEA under any of the required circumstances, the SEA adjusts the Transferring LEA's base payment — separately for IDEA section 611 and section 619 — by:
 1. Counting the children with disabilities for whom that LEA would have been responsible in the absence of the circumstance that required the base payment adjustment (This is the sum of the current child count and the number of children with disabilities for whom the responsibility transferred.).
 2. Calculating a current base payment per child by subtracting the number of children with disabilities for whom the responsibility transferred from the LEA's most current base payment child count.
 3. Multiplying the difference (from Step 2) by the universe base payment per child amount for all LEAs (static).
 4. Establishing the Transferring LEA's adjusted base payment.

These steps are completed separately for each LEA in which responsibility for one or more children with disabilities is being transferred to another LEA.

Increase to an Assuming LEA's Base Payment

- a. When responsibility for one or more children with disabilities is assumed by an LEA under any of the required circumstances, the SEA adjusts the Assuming LEA's base payment — separately for IDEA section 611 and section 619 — by:
 1. Creating a current base payment per child by adding the number of children with disabilities for whom the responsibility transferred and multiplying it by the universe base payment per child amount for all LEAs (static).
 2. Establishing the Assuming LEA's adjusted base payment.
- b. These steps are completed separately for each LEA that is assuming responsibility for one or more children with disabilities from another LEA. However, the overall universe base payment child count is incorporated.

7. Allocations Calculated Using Student Population and Poverty Measures

- a. After subtracting the state set-aside (the amount set aside by the state from the grants for state-level activities) and the total base payment amount, the OGM allocates the remaining IDEA section 611 and section 619 funds according to population and poverty measures as defined at [34 CFR §300.705\(b\)\(3\)](#) and [300.816\(c\)](#):
 - Allocate 85% of any remaining funds to eligible LEAs based on the relative numbers of children enrolled in public and private elementary schools and secondary schools within the LEA's jurisdiction.
 1. Allocate 15% of those remaining funds to eligible LEAs in accordance with their relative numbers of children living in poverty, as determined by the SEA.



- b. The OGM calculates the population and poverty amounts within 45 days upon the receipt of the proposed IDEA section 611 and section 619 awards (if funds are available) from the U.S. Department of Education and after subtracting the state set-aside and base payment amounts. The same data are used to make calculations for traditional and charter school LEAs. Eligible LEAs that do not receive a base payment are still eligible for population and poverty subgrants.
- c. Population calculations are made using the most recent available enrollment data on students enrolled in public and private elementary and secondary schools in each LEA, including student enrollment in charter school LEAs. For new and significantly expanding charter school LEAs, projected data is used for the preliminary allocation. Actual enrollment data from the year in which the LEA opens or significantly expands is used for final allocation amounts.
- d. Poverty calculations are made using data on the proportion of children enrolled in each LEA (including charter school LEAs) that are eligible for free and reduced lunch for the most current year available, as obtained from the OTSS.
- e. The state applies on a uniform basis, across all LEAs, the best data available on the numbers of children enrolled in public and private elementary and secondary schools, and the numbers of children living in poverty.

8. IDEA Section 619 Subgrants to LEAs When the State Award Is Below the FFY 1997 Funding Level

- a. The amount of MDE's FFY 1997 federal IDEA section 619 award was \$4,018,513.00. In any year when the federal IDEA section 619 award to the state is below that level, special circumstances apply to how the state allocates IDEA section 619 subgrants to LEAs.
- b. If, after the state set-aside is subtracted from the total award, the amount available for making subgrants is greater than 75% of the state's FFY 1997 IDEA section 619 award, then the state will make base payments and, if necessary, base payment adjustments, and then allocate any remaining funds using population and poverty measures in accordance with [34 CFR §300.816I](#). If, after the state set-aside is subtracted from the total award, the amount available for making subgrants is less than 75% of the state's FFY 1997 IDEA section 619 award, then the state will make base payment adjustments based on the available amount.

IV. Reallocation of IDEA Funds

1. Monitoring Expenditure of IDEA Funds

- a. MDE monitors the expenditure of IDEA set-aside funds and IDEA subgrants to LEAs to ensure that funds are used within the period of performance and that both MDE and its LEAs are following the first in, first out accounting principle and spending down prior years' awards prior to spending down newer awards. The OGM provides regular reports to the OSE on the timely expenditure of funds. Monthly, the OGM provides a report detailing the amount and percentage of IDEA Part B Grant Award



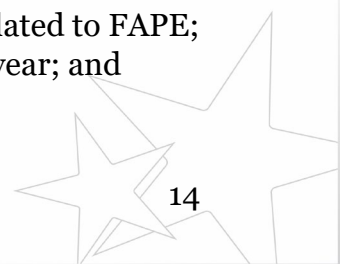
(Section 611 and Section 619) funds remaining from each available FFY for both state set-aside funds and IDEA subgrants to LEAs.

- b. The OSE monitors the timely expenditure of IDEA subgrants by LEAs. If MDE finds that an LEA is not expending its IDEA funds at a rate that will result in the LEA expending funds or that the LEA is drawing down newer funds before expending older available funds, the OSE contacts the district to consider necessary actions, including, but not limited to:
 - Requiring the LEA to submit a written plan for timely expenditure of available funds;
 - Requiring the LEA to review non-performing balances (identified by the OSE) from older grants and move the funds into an active cost category through the revision process;
 - Requiring the LEA to request a transfer of costs from a newer grant year to an older available grant year;
 - For LEAs with outstanding noncompliance or corrective actions plans, directing the use of remaining IDEA funds to address the noncompliance or complete the corrective action; and
 - For LEAs who are adequately providing FAPE, the return of IDEA funds to the state for reallocation to LEAs who need additional funds to provide FAPE.

2. Reallocation of IDEA Funds Within the Period of Availability

Returning Funds to MDE

- a. If the OSE determines an LEA is adequately providing FAPE to all children with disabilities residing in the area served by that agency with state and local funds and does not require its federal Part B award to maintain the provision of FAPE, the SEA may reallocate any portion of the funds. This includes if an LEA does not serve any children with disabilities and does not need IDEA funds to meet child find, evaluation, and other requirements.
- b. The OSE may make the reallocation decision based on information gathered through its general supervision system, including communication with the LEA instigated during programmatic monitoring, communication initiated through the OSE's timely expenditure monitoring, or notification from an LEA that it is providing FAPE but will not use the full amount of its allocation.
- c. When the OSE receives notification or other communication that an LEA will not use its funds, the OSE, family engagement, and monitoring teams consult to determine if the LEA is adequately providing FAPE to children.
- d. An LEA is considered to be adequately providing FAPE to children with disabilities for purposes of eligibility to reallocate IDEA funds if:
 - It has an LEA determination of Meets Requirements or Needs Assistance;
 - It has not been identified with significant disproportionality;
 - It has no outstanding uncorrected findings of non-compliance related to FAPE;
 - It has no dispute resolution findings related to FAPE in the past year; and



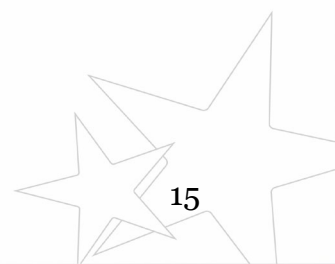
- No other evidence, e.g., from school accreditation, fiscal audits, etc., indicates that the LEA is not adequately providing FAPE.

Reallocation of Funds

- a. After the OSE determines that the LEA is adequately providing FAPE and the LEA authorizes the return of funds to MDE, MDE may:
 1. Use the funds returned to MDE by the LEA for allowable state-level activities if the state did not set aside the maximum amount for state-level activities, up to the point where the maximum amount is reached
 2. Reallocate the unused funds to eligible LEAs that are not adequately providing special education and related services to children with disabilities (this reallocation is required if the state sets aside the maximum amount for state-level activities)
- b. The OSE leadership, monitoring, data, and fiscal teams consult to determine which LEAs need additional funds to adequately provide special education and related services to children with disabilities, are eligible to receive reallocated funds, and are most likely to expend the funds within the period of performance. This determination is made by reviewing data, including, but not limited to:
 1. LEA determinations
 2. Results of IDEA programmatic monitoring and implementation status of corrective action plans
 3. Findings and trends from the family engagement team on dispute resolution
 4. Any increases in child count that may result in the need for additional services.
- c. When the OSE determines that one or more LEAs need additional funds to adequately provide special education and related services to children with disabilities, it will request a plan from each LEA demonstrating how it will use the reallocated funds within the period of availability. Upon approval of LEA plans, the OSE will work with the OGM to reallocate funds to one or more LEAs. Amounts reallocated to an LEA are not considered in the calculation of funds for proportionate share and coordinated early intervening services as those calculations were completed for the funds when they were allocated to the original district.

Adjustment/Revision of LEA Expenditures

In the event an LEA requires assistance to transfer expenditures from a newer grant year to an older grant year or from one grant award to another, the LEA must work with the OGM.



V. Allowable Uses of IDEA Funds

- a. For a particular cost to be allowed, it must be an excess cost of providing special education and related services (see guidance on **Excess Cost**). It also must be necessary, reasonable, and allocable.⁶ Additional guidance about standards for determining costs for federal grants is available from the Office of Management and Budget (OMB) Uniform Grants Guidance.⁷
- b. If an expense is found to be not an allowable use of federal funds through an audit or onsite monitoring, the OSE may seek to recover any federal funds. If the OSE determines an LEA must return funds, those funds cannot be returned out of federal funds.⁸

1. Definitions

- a. **Necessary:** A cost must be necessary and reasonable for the performance of the federal award and be allocable thereto under these principles.⁹
- b. **Reasonable:** A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. The question of reasonableness is particularly important when the non-federal entity is predominantly federally funded. In determining the reasonableness of a given cost, consideration must be given to:
 1. Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the non-Federal entity or the proper and efficient performance of the Federal award
 2. The restraints or requirements imposed by such factors as sound business practices; arm's-length bargaining; federal, state, and other laws and regulations; and terms and conditions of the federal award
 3. Market prices for comparable goods or services for the geographic area
 4. Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the non-federal entity, its employees, students or membership, the public at large, and the federal government
 5. Whether the non-federal entity significantly deviates from its established practices and policies regarding the incurrence of costs, which may unjustifiably increase the federal award's cost¹⁰
- c. **Allocable to IDEA:** A cost is allocable to a particular federal award or other cost objective if the goods or services involved are chargeable or assignable to that federal award or cost objective in accordance with relative benefits received. This standard is met if the cost:

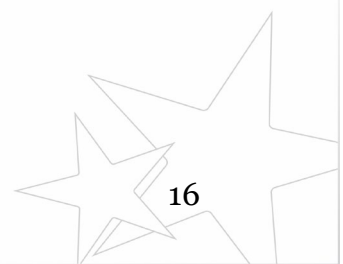
⁶ [2 CFR 200.403-405](#)

⁷ [2 CFR, Part 200](#)

⁸ [34 CFR §300.202](#)

⁹ [Uniform Grant Guidance 200.403](#)

¹⁰ [Uniform Grant Guidance 200.404](#)



1. Is incurred specifically for the federal award
2. Benefits both the federal award and other work of the non-federal entity and can be distributed in proportions that may be approximated using reasonable methods
3. Is necessary to the overall operation of the non-federal entity and is assignable in part to the federal award in accordance with the principles in this subpart
4. All activities which benefit from the non-federal entity's indirect (F&A) cost, including unallowable activities and donated services by the non-federal entity or third parties, will receive an appropriate allocation of indirect costs¹¹

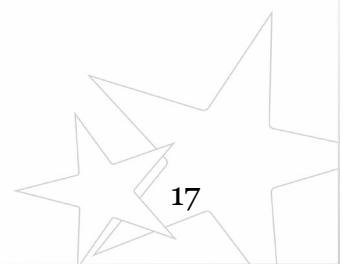
2. Allowability of Specific Items of Cost

The table below lists specific items of cost and addresses the allowability of each.

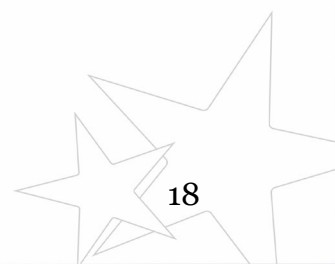
Table 5. Allowable Costs

Allowed/Not Allowed	Budget Item	Special Requirements or Additional Information
Allowed	ADVERTISING: Costs associated with advertising in media such as newspapers, radio, television, direct mail, exhibits, electronic, or computer transmittals	Allowed for IDEA-related recruitment of personnel, procurement of goods and services, and other specific purposes necessary to meet the requirements of the IDEA grant
Allowed	AIDES/PARAPROFESSIONALS: Salaries and fringe benefits	Aides/paraprofessionals must work under the supervision of an appropriately licensed special education teacher and perform duties for which they are trained.
Allowed	ASSISTIVE TECHNOLOGY DEVICES: Used to increase, maintain, or improve the functional capabilities of a child with a disability	IDEA funds are permitted to purchase, lease, or otherwise provide for the acquisition of assistive technology devices.

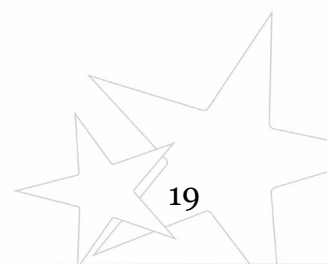
¹¹ *Uniform Grant Guidance 200.405*



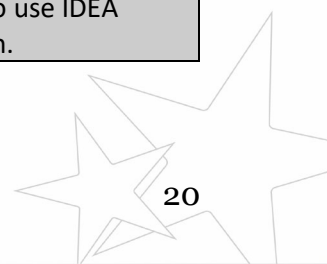
Allowed/Not Allowed	Budget Item	Special Requirements or Additional Information
Allowed, but special requirements or additional information required	ATTORNEY FEES	<p>IDEA funds <u>may not</u> be used to pay attorney fees or costs of a party related to any action or proceeding under section 615 of IDEA including attendance at IEP meetings, due process hearings, appeals of due process hearings to federal court, court recordings).</p> <p>Attorney fees for document processing, professional development, and policy development are allowable. Appropriate documentation to support the use of IDEA funds for attorney fees must be recorded.</p>
Allowed, but special requirements or additional information required	AUDIT COSTS: Audits required by the Single Audit Act	<p>The costs of auditing the IDEA required by, and performed in accordance with, the Single Audit Act, as implemented by 2 CFR Subpart F are allowable. Other IDEA audit costs are not allowed as direct costs. They are included in the indirect cost rate. Only the costs for the IDEA portion of the Single Audit may be charged to IDEA.</p>
Allowed	AUTOMATIC DOOR OPENERS: Purchase and installation	<p>Purchase and installation of automatic door openers is allowed if needed to provide access for a child with a disability.</p>
Allowed, but special requirements or additional information required	BUS PURCHASE, LEASE, or RENTAL: Vehicle purchase or lease, insurance, repair, and maintenance	<p>Vehicles must be used ONLY to transport children with disabilities who require special assistance in transportation that is in addition to the transportation offered to all students.</p> <p>LEAs must have prior approval from MDE prior to purchasing or leasing a vehicle.</p>



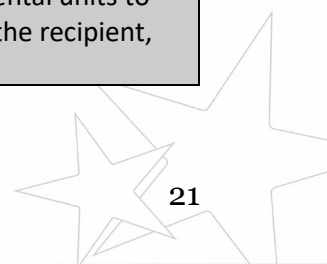
Allowed/Not Allowed	Budget Item	Special Requirements or Additional Information
Allowed, but special requirements or additional information required	BUS DRIVER: Salaries and fringe benefits	The salary and fringe benefits of a bus driver are allowed ONLY for the time the driver transports children with disabilities who require special assistance in transportation that is in addition to the transportation offered to all students.
Allowed	CHILD FIND ACTIVITIES: Costs associated with public awareness, notices, screening	Child find activities are allowed for identification of children with disabilities.
Allowed	CLERICAL SUPPORT: Salaries and fringe benefits	Only the actual time spent supporting special education is allowed. Clerical support must be documented in accordance with policies and procedures as outlined in 2 CFR §200.430(i) .
Allowed, but special requirements or additional information required	COMMUNICATION DEVICES FOR STAFF: Costs associated with lease or purchase and charges for use of desk phones, cell phones, pagers, and radios	Communication devices are allowed ONLY for special education activities. If a device also is used for other non-special education activities, documentation is required of the extent to which it is used for special education and the other activities. Costs for personal use are not allowed.
Never Allowed	COMPUTER NETWORKS: Costs associated with an LEA's computer networks	LEAs' computer networking costs are provided district-wide and are not excess costs of special education.



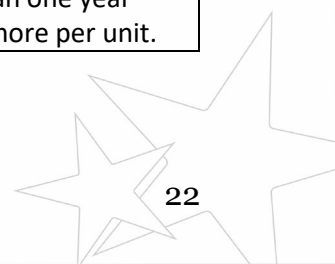
Allowed/Not Allowed	Budget Item	Special Requirements or Additional Information
Allowed, but special requirements or additional information required	COMPUTERS FOR STUDENTS	<p>Acquisition of computers are NOT an excess cost, and therefore not allowed if the LEA has decided to equip classrooms in a school and simply charges the IDEA grant a prorated amount based upon the number of children with disabilities in the school. The equipment is an excess cost when related to the unique needs of a child with a disability. It may be provided in a general education class or other education-related setting, even if one or more nondisabled children benefit.</p> <p>When the equipment is no longer needed to meet the unique needs of a child with a disability, it must be managed or disposed of in accordance with 2 CFR §200.313(e)</p>
Allowed, but special requirements or additional information required	COMPUTERS FOR STAFF	<p>Computer equipment for special education staff is allowed if the individual works solely in special education. When the equipment is no longer needed, it must be managed or disposed of in accordance with 2 CFR §200.313(e)</p>
Allowed, but special requirements or additional information required	CONSTRUCTION: Constructing facilities or altering existing facilities	<p>Costs for construction or alteration of facilities must be excess costs of special education. A project must meet the needs of one or more children with disabilities. Costs for the general purpose of bringing facilities into compliance with Section 504 and ADA requirements are not allowed.</p> <p>Costs must be necessary and reasonable. LEAs must have prior approval from MDE to use IDEA funds for construction.</p>



Allowed/Not Allowed	Budget Item	Special Requirements or Additional Information
Allowed	CONSULTANT SERVICES: Costs associated with contracted services from a consultant	<p>LEAs may contract with consultants to provide information about methods, techniques, and strategies to use for children with disabilities or advice to staff for a particular student or group of students.</p> <p>LEAs are permitted to contract for services only if (1) there is a written contract specifying the terms of the vendors' services; (2) the contract providers are appropriately licensed; (3) the fees are determined to be reasonable and customary for the provision of such services in the area; (4) the LEA has determined the services cannot be provided by district employees; and (5) the LEA has internal controls in place to verify the delivery of contracted services as specified in contracts and on submitted invoices.</p>
Allowed	CONTRACTED SPECIAL EDUCATION or RELATED SERVICES	LEAs may contract for special education or related services as direct services to students from private individuals or agencies other than an LEA.
Allowed	CONTRACTED SERVICES — PARENTALLY PLACED PRIVATE SCHOOL STUDENTS	Federal law specifically authorizes the provision of services for parentally placed private school students through a contract with an individual, agency, organization, or other entity. LEAs may not contract with or provide funds directly to a private school but may contract with a private school employee to provide services outside their contract with the private school.
Never Allowed	CONTRIBUTIONS AND DONATIONS	Contributions and donations, including cash, property, and services, by governmental units to others, regardless of the recipient, are unallowable.



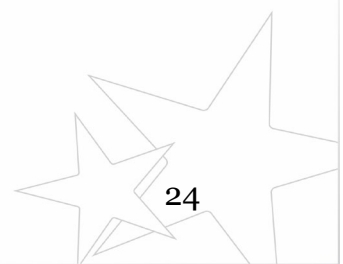
Allowed/Not Allowed	Budget Item	Special Requirements or Additional Information
Allowed	COST SHARING AND COST OR RISK POOLS	LEAs are permitted to use IDEA funds to establish and implement cost or risk-sharing funds, consortia, or cooperatives for the LEA itself, or for LEAs working in a consortium of which the LEA is a part, to pay for high-cost special education and related services.
Allowed	CURRICULUM DEVELOPMENT: Costs associated with substitutes, release time, or extended contract	Costs related to substitute teachers, release time, and extended contract for the development of curriculum for special education students is allowed for both general and special education staff. This includes supplements and stipends.
Never Allowed	DISTRICT ADMINISTRATORS/SUPERINTENDENTS: Salaries and fringe benefits	The salary and fringe benefits of a district administrator/superintendent cannot be charged to federal grants even if the administrator is providing special education support and is appropriately licensed.
Never Allowed	ENTERTAINMENT: Costs for amusement, diversion, or social activities	Costs of entertainment, including amusement, diversion, and social activities, and any costs directly associated with such costs (e.g., tickets to shows or sports events, meals, lodging, rentals, transportation, gratuities, etc.), are unallowable.
Allowed, but special requirements or additional information required	EQUIPMENT — CAPITAL: Equipment to support special education and related services	The LEA must receive prior approval from MDE to use IDEA funds for capital equipment if the expenditure is not included in its LEA Funding Application. If the expenditure is included in its LEA Funding Application, the standard approval process applies. Capital equipment is equipment with a useful life of more than one year that costs \$5,000 or more per unit.



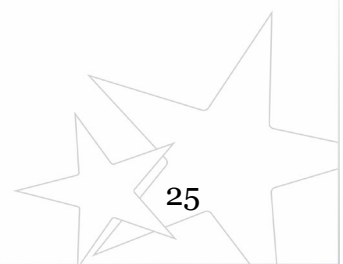
Allowed/Not Allowed	Budget Item	Special Requirements or Additional Information
Allowed	EQUIPMENT — NON-CAPITAL: Equipment to support special education and related services	Special education equipment that does not meet the definition of capital equipment.
Allowed	EXTENDED SCHOOL YEAR (ESY): Personnel, supplies, equipment, transportation, and any other services identified in the student's IEP	The need for ESY must be documented in the student's IEP.
Allowed	EVALUATIONS: Personnel, supplies, or contracted services	The cost of conducting special education evaluations for students are allowable.
Allowed, but special requirements or additional information required	FOOD COSTS RELATED TO STUDENTS	Food costs are allowable if they are above or beyond routine school food costs. For example, special food items for the students with special dietary needs would be eligible, food items needed in a life skills program, or for student incentives of nominal value.



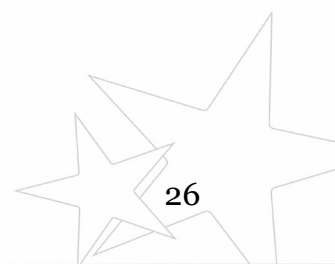
Allowed/Not Allowed	Budget Item	Special Requirements or Additional Information
<p>Allowed, but special requirements or additional information required</p>	<p>FOOD COSTS RELATED TO MEETINGS, PROFESSIONAL DEVELOPMENT, ETC.</p>	<p>IDEA Funds <u>may</u> be used in the following instances, but there is a very high burden of proof to show that paying for food and beverages with federal funds is necessary to meet the goals and objectives of a federal grant:</p> <ul style="list-style-type: none"> - Refreshments for parent meetings/parent involvement activities, when necessary, to encourage attendance - Limited meals or refreshments for staff or participants who are cloistered in all-day training sessions when it is impractical to obtain meals on their own and where attendance at training is essential to accomplishing the objectives of the program - Limited meals or refreshments during a “working session” in which participants are engaged in discussion/activities during the normal mealtime and in which no other opportunity for a meal will be provided where attendance is essential to accomplish the objectives of the program. <p>Alcoholic beverage costs are never allowable.</p>
<p>Allowed</p>	<p>FOREIGN LANGUAGE AND SIGN LANGUAGE INTERPRETERS FOR IEP MEETINGS: Salaries and fringe benefits or contracted costs</p>	<p>LEAs may contract with a private vendor for interpreter services for IEP meetings. Expenditures related to IEP meetings are considered an excess cost of special education.</p>



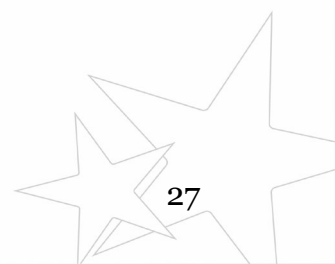
Allowed/Not Allowed	Budget Item	Special Requirements or Additional Information
<p>Allowed, but special requirements or additional information required</p>	<p>FURNITURE: Desks, tables, chairs, file cabinets</p>	<p>LEAs may purchase student or staff desks, tables, chairs, file cabinets, and other furniture for use in spaces dedicated to special education programs, such as resource rooms. LEAs may only purchase student furniture for use in a general education classroom if the furniture is adapted to the specific needs of a child with disability. Examples of such furniture are wheelchair-accessible desks and adjustable tables or workstations.</p> <p>When furniture purchased with IDEA funds is no longer needed for the special education program or for a child with a disability, it must be managed or disposed of in accordance with 2 CFR §200.313(e).</p>
<p>Allowed, but special requirements or additional information required</p>	<p>GUIDANCE COUNSELORS: Salaries and fringe benefits. See also “Act 221” in the Information section.</p>	<p>Guidance counselors must be employees of an LEA or contracted with an LEA. Costs must be IEP-driven or related to the evaluation of a student. Day-to-day costs of services provided to all students are not allowed. Only the actual time spent supporting special education is allowed. If the position is not dedicated 100% to special education, guidance counselors must document their work with personnel activity reports.</p>



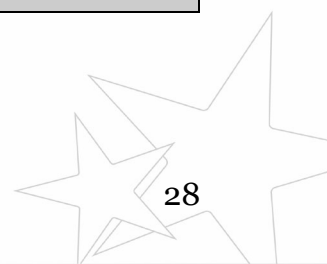
Allowed/Not Allowed	Budget Item	Special Requirements or Additional Information
Allowed	IEP TEAM COORDINATORS: Salaries and fringe benefits	Salaries and fringe benefits of staff who coordinate an LEA's IEP system, train staff, and review IEPs are allowed. Only the actual time spent coordinating IEPs is allowed. If the position is not dedicated 100% to special education, IEP coordinators must document their work according to time and effort requirements.
Allowed, but special requirements or additional information required	INDIRECT COSTS: Costs incurred to benefit more than one program or objective not readily assignable to the programs	Only LEAs that have an indirect cost rate negotiated with the MDE Division of Finance may charge indirect costs to IDEA grants.
Allowed	MAINTENANCE OF SPECIAL EDUCATION EQUIPMENT: Assistive technology devices, copying machines, printers, elevators, etc.	If the equipment is used for special education only, the cost of maintaining the equipment may be charged to the IDEA grant.
Never Allowed	MEDICAID ADMINISTRATION SERVICES: Costs for claiming Medicaid funds, including third-party administrators	The costs for administering Medicaid services may not be charged to the IDEA grant because they are not necessary for the performance of the IDEA grant.
Allowed, but special requirements or additional information required	MEDICAL SERVICES	Medical services are allowable for diagnostic or evaluation purposes.
Allowed, but special requirements or additional information required	MISCELLANEOUS EXPENSES:	These costs are only allowable if they are clearly included in a student's IEP.



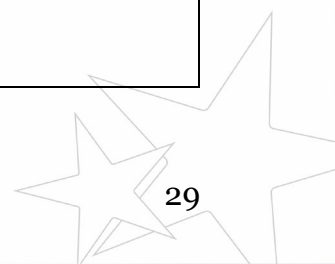
Allowed/Not Allowed	Budget Item	Special Requirements or Additional Information
Allowed, but special requirements or additional information required	NURSE — SCHOOL-BASED: Salaries and fringe benefits for LEA employees or costs for contracted nursing services	<p>Costs must be IEP-driven or related to the evaluation of a child. Day-to-day costs of nursing services provided to all students are not allowed. Only the actual time providing related services required by IEPs or performing evaluations is allowed.</p> <p>These services must be documented in accordance with policies and procedures as outlined in 2 CFR 200.430(i).</p>
Allowed	OCCUPATIONAL THERAPISTS (OT) and OT ASSISTANTS: Salaries and fringe benefits for LEA employees or costs for contracted OT services	The cost of OT and OT assistants for the purpose of student evaluations or providing services as directed by a student’s IEP is allowable.
Allowed	OFFICE EQUIPMENT: Equipment used by special education staff	Allowed if the equipment is exclusively used by special education staff.
Allowed	PARAPROFESSIONALS: Salaries and fringe benefits	<p>Paraprofessionals must be employees of an LEA.</p> <p>Paraprofessionals must work under the supervision of an appropriately licensed special education teacher and perform duties consistent with the role of paraprofessional while not assuming the role of a teacher.</p>
Allowed	PHYSICAL THERAPISTS (PT) and PT ASSISTANTS: Salaries and fringe benefits for LEA employees or costs for contracted PT services	The cost of PT and PT assistants for the purpose of student evaluations or providing services as directed by a student’s IEP is allowable.
Allowed	PARENTALLY PLACED PRIVATE SCHOOL STUDENTS — SPECIAL EDUCATION AND RELATED SERVICES: Equitable services	Equitable services may be provided by employees of a school district. In addition, federal law specifically permits the provision of equitable services to parentally placed private school students through contract with an individual, agency, organization, or other entity.



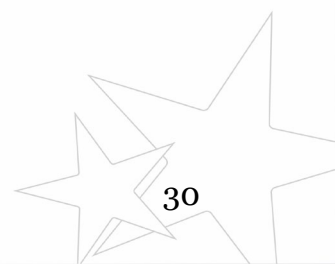
Allowed/Not Allowed	Budget Item	Special Requirements or Additional Information
Allowed	PLAYGROUND EQUIPMENT: Accessible playground equipment	<p>The additional costs of making a playground accessible to children with disabilities are allowed. Additional equipment or the additional cost of acquiring accessible equipment may be funded.</p> <p>The equipment may be used in a general education setting, even if one or more nondisabled children benefit.</p>
Never Allowed	PRINCIPALS OR ASSISTANT PRINCIPALS: Salaries and fringe benefits	<p>Salaries for principals and assistant principals may not be charged to the IDEA grant.</p> <p>If an individual is employed as a part-time principal and also as a part-time special education teacher or provider, the salary and fringe benefits for teaching special education or providing other special education services may be charged to the IDEA grant. The individual must document the work in accordance with policies and procedures as outlined in 2 CFR 200.430(i).</p>
Allowed	PROFESSIONAL DEVELOPMENT: Costs associated with registration fees, travel, conference expenses, and providers	<p>Registration fees, travel, and conference expenses associated with special education in-service training of general education and special education staff are allowed. The number of attendees and the approval process should be carefully considered and fully documented as related to the special education responsibilities of each potential attendee. In addition, LEAs must include costs for all conference attendance in the LEA's grant application and must receive prior approval from MDE.</p>



Allowed/Not Allowed	Budget Item	Special Requirements or Additional Information
Allowed, but special requirements or additional information required	PSYCHOLOGISTS — SCHOOL-BASED: Salaries and fringe benefits	<p>Costs must be IEP-driven or related to the evaluation of a child. Day-to-day costs of services provided to all students are not allowed.</p> <p>Only the actual time spent supporting special education is allowed. These services must be documented in accordance with policies and procedures as outlined in 2 CFR 200.430(i).</p>
Allowed	PSYCHOLOGISTS — STUDENT EVALUATIONS: Contractual costs	Allowed only for a psychologist to provide evaluation services.
Allowed	RECORDKEEPING, DATA COLLECTION, AND RELATED CASE MANAGEMENT ACTIVITIES	An LEA may use funds received under Part B of the Act to purchase appropriate technology for recordkeeping, data collection, and related case management activities of teachers and related personnel providing services described in the IEP of children with disabilities that are needed for the implementation of those case management activities.
Allowed, but special requirements or additional information required	REMODELING: Costs associated with remodeling due to the unique needs of a student or students with a disability	<p>Remodeling costs must be excess costs of special education. Remodeling must meet the needs of one or more children with disabilities. Remodeling costs for the general purpose of bringing facilities into compliance with Section 504 and ADA requirements are not allowed.</p> <p>Costs must be necessary and reasonable. LEAs must have prior approval from MDE to use IDEA funds for remodeling.</p>
Allowed, but special requirements or additional information required	SAT OR ACT COLLEGE EXAM OR PREPATORY COURSE	Allowable as directed by the IEP team.



Allowed/Not Allowed	Budget Item	Special Requirements or Additional Information
Allowed	SECRETARIAL STAFF: Salaries and fringe benefits	Only the actual time spent supporting special education is allowed. The work of secretarial staff must be documented in accordance with policies and procedures as outlined in 2 CFR 200.430(i).
Allowed, but special requirements or additional information required	SOCIAL WORKERS — SCHOOL- BASED: Salaries and fringe benefits	<p>Costs must be IEP-driven or related to the evaluation of a child. Day-to-day costs of services provided to all students are not allowed. Social workers must be appropriately licensed to deliver services they are assigned.</p> <p>Only the actual time spent supporting special education is allowed. Services of social workers must be documented in accordance with policies and procedures as outlined in 2 CFR 200.430(j).</p>
Allowed	SOCIAL WORKERS — STUDENT EVALUATIONS: Contractual costs	Allowed only for a social worker to provide evaluation services.
Allowed, but special requirements or additional information required	SPECIAL EDUCATION STAFF: Costs associated with special education teachers, special education directors, case managers, etc.	Costs attributed to special education staff must be prorated to reflect the actual amount of time that staff spent on special education purposes.
Allowed	STAFF DEVELOPMENT: Costs associated with registration fees, travel, conference expenses, and providers	Registration fees, travel, and conference expenses associated with special education in-service training of general education and special education staff are allowed. In addition, LEAs may coordinate IDEA funds with funds from other sources (e.g., Title I ESEA) in school-wide staff development activities to improve outcomes for all students.



Allowed/Not Allowed	Budget Item	Special Requirements or Additional Information
Allowed	STIPENDS FOR STUDENTS WITH DISABILITIES: Costs associated with student workers charged under salaries or purchased services	A student must receive the minimum wage if she/he is in an employment relationship. In an employment relationship, the student provides services of immediate benefit to the employer —services that a paid employee would otherwise provide. As a result of the student’s activities, paid positions may remain unfilled, and regular employees may be relieved of their normal duties. A student may receive less than the minimum wage if she/he is not in an employment relationship. A student is not in such a relationship if the student works as part of an educational activity for the benefit of the student, the student does not displace a regular employee, and the student works under close supervision.
Allowed	STUDENT EVALUATIONS: Personnel, supplies, or contracted services	The cost of conducting special education evaluations for students are allowable.
Allowed, but special requirements or additional information required	STUDENT INCENTIVES	Nominal items of low value may be purchased with IDEA funds to be used as part of the special education program’s delivery of services. Incentive items purchased with federal funds should be educational in nature. The amount charged to the IDEA grants must be reasonable and prudent. The following are never allowed incentives: cash, cash cards, gift cards, computing devices (e.g., iPads, Nooks, Kindles, Beats, etc.).



Allowed/Not Allowed	Budget Item	Special Requirements or Additional Information
Allowed	SUBSTITUTE TEACHERS: Salaries and fringe benefits	<p>Substitute teacher costs are allowed for special education teachers.</p> <p>Substitute teacher costs are allowed for general education teachers performing duties such as attending special education in-service training, attending IEP team meetings, or engaging in planning meetings or consulting with special education teachers to benefit children with disabilities.</p>
Allowed, but special requirements or additional information required	SUMMER SCHOOL	IDEA funds <u>may not</u> be used to pay for students with disabilities to participate in general summer school programs but may be used to provide accommodations during those programs.
Never Allowed	SUPERINTENDENTS (DISTRICT ADMINISTRATORS): Salaries and fringe benefits	The salary and fringe benefits of superintendents cannot be charged to IDEA grants, even if the superintendent is providing special education support and is appropriately licensed in accordance with policies and procedures as outlined in 2 CFR 200.430(i).
Allowed	TEACHERS — SPECIAL EDUCATION: Salaries and fringe benefits	Special education teachers, if properly licensed under MDE, must be employees of an LEA or contracted for instructional services.
Allowed, but special requirements or additional information required	TEACHERS — GENERAL EDUCATION: Salaries and fringe benefits	<p>General education teachers may be paid to attend special education in-service activities and IEP meetings. This includes supplements and stipends.</p> <p>Instructional costs of general education teachers are not allowed.</p>



Allowed/Not Allowed	Budget Item	Special Requirements or Additional Information
Allowed, but special requirements or additional information required	TECHNOLOGY STAFF: Salaries and fringe benefits for LEA employees or costs for contracted IT services	LEA technology staff expenses for programming or maintaining special education and related services databases and applications are allowed and may include the coordination or administration of technology services. Private contracts for special education database maintenance or programming also are allowed. These services must be documented in accordance with policies and procedures as outlined in 2 CFR 200.430(i).
Allowed	TRANSITION SERVICES — PRESCHOOL: Costs associated with preschool transition activities	Services must be identified in the student’s IEP. These costs may also be incurred when school is not in session.
Allowed	TRANSITION — EMPLOYMENT SKILLS: Costs associated with work experiences, job coaches, and acquisition of employment skills	LEAs may contract with agencies to facilitate the acquisition of employment skills for students with disabilities typically ages 18-21. The transition services must be identified in students’ IEPs. The costs also may be incurred when school is not in session.
Allowed	TRANSPORTATION COSTS — SPECIAL EDUCATION: Costs incurred by the LEA for transporting children with disabilities	Allowable special education transportation costs include repair or servicing of special education vehicles, insurance, mileage, and bus driver and bus aide costs.
Allowed	TRANSPORTATION — CONTRACTED FOR SPECIAL EDUCATION: Costs associated with private agencies, other LEAs, or parents	A contract with parents is allowed if the transportation is to transport a student with a disability who requires special assistance in transportation (i.e., special transportation or additional transportation), including a student with a disability attending regular classes.



Allowed/Not Allowed	Budget Item	Special Requirements or Additional Information
Allowed, but special requirements or additional information required	TUITION: Tuition for placement by an LEA to provide a student with FAPE	Generally, tuition is allowed if charged for a placement made by an LEA to provide a student FAPE. The teachers must hold proper MDE licenses. The services must be provided consistent with an IEP, at no cost to parents, and under the supervision of the LEA.
Allowed	TUITION — TECHNICAL COLLEGE CLASSES FOR STUDENTS WITH DISABILITIES: Tuition to a local technical college for a special education program for a student with a disability	These expenses are allowed if the program is required by the IEP and the student receives high school credit.
Allowed, but special requirements or additional information required	TUTORING: Salaries and fringe benefits or stipends related to special education instructional service for students with disabilities only	Instruction must be provided by a licensed special education teacher, or an aide may provide services under the direction of a licensed special education teacher.
Allowed	UNEMPLOYMENT INSURANCE	Employer expenses for unemployment insurance granted as fringe benefits under established written policies are allowable. Unemployment insurance costs must be allocated to the grant in a manner consistent with the pattern of benefits for all LEA employees.
Allowed, but special requirements or additional information required	VEHICLE PURCHASE, LEASE, or RENTAL: Vehicle purchase or lease, insurance, repair, and maintenance	Vehicles must be used ONLY to transport children with disabilities who require special assistance in transportation (i.e., special transportation or additional transportation) or for exclusive use of special education personnel in fulfilling program requirements as outlined on students' IEPs. Such purchases or leases must have prior written approval from MDE.

Allowed/Not Allowed	Budget Item	Special Requirements or Additional Information
Allowed, but special requirements or additional information required	WORKER'S COMPENSATION	Employer expenses for worker's compensation granted as fringe benefits under established written policies are allowable. Worker's compensation benefits must be allocated to the grant in a manner consistent with the pattern of benefits for all LEA employees.

For guidance on expenditure function and object codes, please see MDE's Accounting Manual for School Districts:
[Expenditure Function Codes](#)
[Expenditure Object Codes](#)

3. Questions From the Field

- a. May an LEA use Part B funds for costs associated with students who are 20 years old?

LEAs may use Part B funds to pay for all of the costs directly attributable to the education of a child with a disability who is 3, 4, 5, 18, 19, 20, or 21 years of age if no local or state funds are available for non-disabled children of these ages.

- b. A school within our LEA is providing support services for summer enrichment programs to ensure equal access for students with disabilities. Would it be allowable to pay teachers with IDEA Part B funds, or should those teachers be paid from the general education budget?

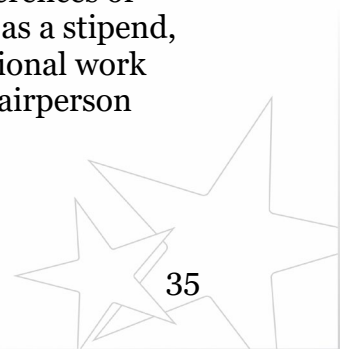
Special education students are general education students first. If the district is offering enrichment services to all students during the summer, then all students should receive those services, including students with disabilities, paid for from general education funds. If there are students with disabilities who need special education and related services to benefit — and accommodations to participate — then those supplemental expenses or accommodations may be paid for from special education funds.

It is important to note that IDEA funds must be used to supplement and not supplant state, local, and other federal funds.¹²

- c. What is the difference between a stipend and a salary supplement?

Stipends are typically used for short-term additional work such as conferences or workshops. When not included in a contract, tutoring could be paid out as a stipend, generally on an hourly basis. Supplements are used for long-term additional work duties, such as a diaper or Multidisciplinary Evaluation Team (MET) chairperson

¹² 34 CFR §§300.133(d), 300.162(c), 300.202(a)(3)



supplement. Supplements are typically paid overtime. For example, a \$1,000 supplement may be awarded for a MET chairperson that is paid over a 12-month period like a salary.

4. Indirect Cost Requirement

- a. The MDE Office of School Financial Services approves and makes available each LEA's indirect cost rate for each grant year. When preparing their grant applications, LEAs' indirect cost amount must not exceed the percentage allowed in the state's calculation.

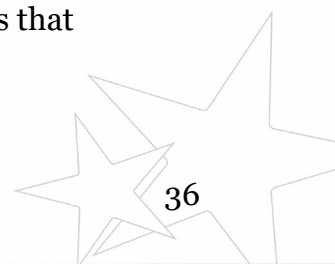
- b. Definitions

"Indirect costs" are those (a) incurred for a common or joint purpose benefiting more than one cost objective and (b) not readily assignable to the cost objectives specifically benefitted without effort disproportionate to the results achieved.¹³

"Direct costs" are those that can be identified specifically with a particular federal award or that can be directly assigned to activities in support of a federal award relatively easily with a high degree of accuracy.

- c. Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect costs. There is no universal rule for classifying certain costs as either direct or indirect under every accounting system. A cost may be direct with respect to some specific service or function, but indirect with respect to the federal award or other final cost objective. Therefore, it is essential that each item of cost incurred for the same purpose be treated consistently in like circumstances either as a direct or an indirect cost to avoid possible double charging of federal awards.
- d. Indirect costs charged to the grant are determined by applying the restricted indirect cost rate (RICR) to the total direct costs of the grant minus capital outlays, subgrants, and other distorting or unallowable items as specified in the grantee's indirect cost rate agreement. However, districts should calculate what their maximum indirect cost each year could be based on the full amount of their grant award . The final calculation should be based only on the amount of the expenditures incurred each year. The transfer of the indirect costs should occur on or after the expenditures have occurred.
- e. A cost may not be allocated to a federal award as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been assigned to a federal award as a direct cost. Typical indirect costs include:
 - a. Rented or shared space or facility
 - b. Payment of a proportionate amount for utilities
 - c. Payment of a proportionate share for services
 - d. Distribution of cost pool to produce equitable results
- f. In addition, accounting, auditing, payroll, personnel, budgeting, purchasing, and operation and maintenance of plant facilities are all examples of services that

¹³ 2 CFR §200.56



typically benefit several activities and programs and for which appropriate costs may be attributed to IDEA by means of the indirect cost allocation plan.¹⁴

5. Internal Controls

- a. Internal controls are organizational practices, typically in policies and procedures, to reduce the risk of waste, fraud, and abuse of funds; reduce the risk of noncompliance with laws, regulations, and policies; and improve overall performance.
- b. LEAs must develop and maintain sound internal controls to ensure that all personnel, contractual services, and goods (e.g., equipment and instructional supplies) funded and purchased with IDEA subgrants are budgeted for and expended in accordance with the applicable provisions of IDEA and other federal requirements. Internal controls must include an accounting system that focuses on accountability of how the funds are used (i.e., “fund accounting”).

Accounting records must be supported by source documentation, including:

- Canceled checks
 - Paid bills
 - Payroll
 - Time and attendance records
 - Contract and subgrant award documents
- c. Fiscal controls and accounting procedures of each LEA must be sufficient to (1) permit the preparation of required reports and (2) permit the tracing of funds to a level of expenditures adequate to establish that such funds have not been used in violation of the restrictions and prohibition of applicable statutes. Actual expenditures must be compared with budgeted amounts in state-approved grant applications. In addition, the financial management system in each LEA must be able to:
 - Prepare reports as required by EDGAR and IDEA
 - Provide complete disclosure of financial results (e.g., cash flow, expenditures, amendments)
 - Ensure there is accountability in how IDEA funds are used
 - Ensure IDEA funds are not comingled with state funds and/or local funds
 - Ensure IDEA funds are used to supplement and not supplant state, local, and other federal funds. [[34 CFR §300.162\(c\)](#), [300.202\(a\)\(3\)](#)]
 - d. LEAs are permitted to amend their IDEA grant within the approved direct cost budget to meet unanticipated needs and make limited program changes.

VI. Excess Costs

1. Policy and Guidance

¹⁴ EDGAR [§76.560-76.579](#) and [2 CFR §200.414](#)



- a. IDEA Part B funds two federal grants to states to help school districts provide a free appropriate public education to students with disabilities:
 - The Grants to States for Education of Children with Disabilities program (authorized under Section 611 of IDEA) to support students with disabilities ages 3 to 21
 - The Preschool Grants for Children with Disabilities program (authorized under Section 619 of IDEA) to support students with disabilities ages 3 to 5
- b. State education agencies allocate subgrants of both Section 611 and Section 619 funds to local educational agencies (LEAs). LEAs may only use IDEA Part B Section 611 and Section 619 funds to pay for the excess cost of providing special education and related services to eligible students with disabilities.
- c. Students with disabilities may require extra supports and services that generate additional costs for LEAs. IDEA requires, at [34 CFR §300.16](#) and [300.202\(b\)](#), and at [Appendix A to Part 300](#), an LEA to use its IDEA funds for costs of special education and related services that are in excess of the costs for all students. This ensures that the LEA spends at least as much on children with disabilities as on children without disabilities before using IDEA funds. IDEA is meant to help supplement these additional costs, not the entire cost of educating a student with a disability.
- d. An LEA is not required to spend local funds first in order to meet the excess cost requirement. An LEA meets the excess cost requirement if it has spent at least a minimum amount of non-IDEA dollars for the education of children with disabilities. Compliance with the excess cost requirement is evaluated by looking at a district’s aggregate spending for elementary and secondary students in a given school year. Rather than looking at any particular cost to determine if it is a “general cost” or an “excess cost,” the OGM examines how much, on average, each LEA spent per student in the last school year. This amount consists of all non-IDEA funds, including state, local, and other federal funding. Districts must have a separate calculation for the per-student amount for elementary school students and the per-student amount for secondary school students.
- e. Excess cost is tested annually for each LEA by the OGM using a step-by-step method defined in IDEA and described in the Excess Costs Methodology and Guidance provided to LEAs.

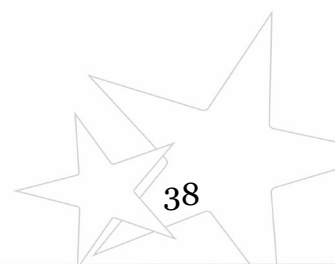
2. Frequently Asked Question and Answers

- a. What is the difference between excess cost and LEA Maintenance of Effort?

Under IDEA, excess cost¹⁵ refers to the additional expenditures generated by providing special education instruction and related services to students with disabilities attending the LEA. Maintenance of Effort¹⁶ is the expectation that LEAs expend at least the same amount of local and state funding for special education and related services as it expended in a prior fiscal year.

¹⁵ [§300.202\(a\)\(2\)](#)

¹⁶ [§300.203](#)



- b. How is the supplement not supplant provision related to excess cost?

Excess cost is defined as costs that are in excess of the average annual per- student expenditure level for an elementary school or secondary school student. IDEA Part B funds are allocated to fund expenses associated with special education that require additional funding compared to costs incurred by students without disabilities. The Excess Cost Calculation is one method defined by IDEA to ensure LEAs are not using federal funds to supplant local and state funds by determining the minimum amount that should be spent to provide core instruction to students with disabilities.

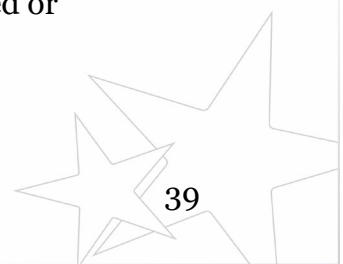
- c. Are there any exceptions to the excess cost requirement?

Yes, an LEA may use IDEA funds to pay for all of the costs directly attributable to the education of a child with a disability in any of the ages 3, 4, 5, 18, 19, 20, or 21 if no local or state funds are available for non-disabled children of these ages. The LEA must still comply with the non-supplanting and other requirements of Part B in providing education and services for these children.

VII. Time and Effort

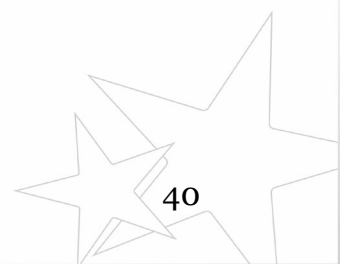
- a. The Uniform Grant Guidance regulates in [§200.430\(i\)](#) that all salaries charged to a federal grant must be based on records that accurately reflect the work performed and that are incorporated into the official records of the subrecipient. To meet this requirement, the subrecipient must have an established agency-wide system for determining that the charges are accurate, allowable, and properly allocated.
- b. To meet this standard, each subrecipient must:
- Understand the objectives of the federal grant program.
 - For each employee charged in whole or in part to the federal grant program, determine and document if the position is a single cost object or a multiple cost objective.
 - If 100% of the position's activities could be charged to the federal grant program, then the position is a single cost objective.
 - If only a portion of the position meets the requirements of the grant's cost objective, then the position is considered to have multiple cost objectives.
- c. Cost objectives are dependent on the objectives of the federal funding source. A cost objective is defined as “a program, function, activity, award, organizational subdivision, contract, or work unit for which cost data are desired and for which provision is made to accumulate and measure the cost of processes, products, jobs, capital project, etc. A cost objective may be a major function of the non-federal entity, a particular service or project, a federal award, or an indirect (Facilities & Administrative) cost activity.”¹⁷
- d. To determine if Personnel Costs are allowable under IDEA Part B, school districts and charter schools are required to maintain auditable "time and effort" documentation that shows how each employee paid with IDEA Part B funds spent their compensated time. These documents detail real time (not estimated or

¹⁷ [2 C.F.R. §200.28](#), [2 C.F.R. §200.430](#)



budgeted) reports of how the time was spent. Since practices vary as to the activity constituting a full workload, time and effort records may reflect categories of activities expressed as a percentage distribution of total activities.

- e. Time and effort reports should be prepared by any staff with salary charged (1) directly to the federal award, (2) directly to multiple federal awards, or (3) directly to any combination of a federal award and other federal, state, or local fund sources. These reports document the portions of time and effort dedicated to IDEA Part B and preschool/special education and to other cost objectives. MDE currently recommends the use of Semi-Annual Certifications for employees who work on a single cost objective and Personnel Activity Reports (PARs) for employees who work on multiple cost objectives. However, a substitute system may be determined acceptable to meet the time and effort compliance requirements of the Uniform Grant Guidance in [§200.430\(i\)](#). These forms or other certifications are used to document that the employee has been working in activities supported by the IDEA Part B and Preschool grant, or in special education cost objectives, during the certification period. It is the duty of the supervisor to ensure the forms are completed in their entirety with approval signatures. A file of these certifications is to be maintained in the program office.
- f. For a position considered a single cost objective under a grant program, the only necessary supporting documentation would be a position description verifying the position's responsibilities. For a position with multiple cost objectives under a grant program, the subrecipient must be able to demonstrate that the amount of time charged to the grant is at least the amount of actual time the position worked on the grant's objectives. Short-term work that is charged to a grant (e.g., short-term substitute teachers, substitute paraprofessionals, stipends, extended contract time, etc.) is also subject to the same reporting requirements.
- g. Subrecipients must also develop a grant budget prior to the obligation period with estimates on the amount of time an individual with single or multiple cost objectives may spend working on the grant's objectives. The budgeted amounts would never qualify as supporting documentation but may be used for interim accounting purposes.
- h. Each LEA must have a written process to reconcile actual costs to budgeted distributions. Budget estimates alone do not qualify as support for charges to federal awards. However, budget estimates are used for interim accounting purposes. Each LEA must establish estimates that produce reasonable approximations for the activity actually performed and must promptly report significant changes in an employee's work activity as compared to budgeted distributions. Each LEA must reconcile any deviations from the budget estimate, make adjustments based on the estimated workload, and budget for the employee's salary. Reconciliations must be performed in a timely manner (e.g., quarterly) to ensure that the amount charged to the federal award is based on allowable and properly allocable duties.



VIII. Acquisition of Equipment and Construction or Alteration of Facilities Under IDEA

- a. The IDEA allows the use of Part B and Preschool funds for the acquisition of equipment and for construction or alteration of facilities under certain conditions defined in the Part B regulations.

1. Definitions

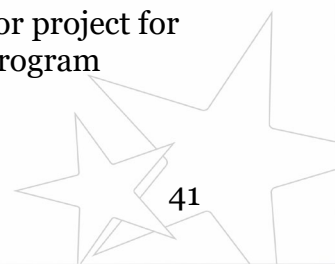
- a. Acquisition of equipment and construction or alteration of facilities at [34 CFR §300.718](#):
 - (1) *General.* If the Secretary determines that a program authorized under Part B of the Act will be improved by permitting program funds to be used to acquire appropriate equipment or to construct new facilities or alter existing facilities, the Secretary may allow the use of those funds for those purposes.
 - (2) *Compliance* with certain regulations. Any construction of new facilities or alteration of existing facilities under paragraph (a) of this section must comply with the requirements of :
 - (a) Appendix A to part 36 of title 28, Code of Federal Regulations (commonly known as the “Americans with Disabilities Accessibility Standards for Buildings and Facilities”); or
 - (b) Appendix A of subpart 101-19.6 of title 41, Code of Federal Regulations (commonly known as the “Uniform Federal Accessibility Standards”).
- b. Equipment is defined in federal regulations at [2 CFR §200.1](#):
 - (1) Equipment means tangible, nonexpendable personal property, including exempt property charged directly to the award having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.
 - (2) In addition, “highly walkable” items with a useful life of one year or more and having an acquisition cost of \$500 or more per unit are considered to be “equipment.” Highly walkable items include, but are not limited, to laptops, iPads, audio-visual equipment, DVD players, think-pads, cameras, etc.

2. Prior Approval for Equipment, Construction, or Alteration of Facilities

- a. Mississippi school districts or LEAs intending to use IDEA Part B funds for the purchase of equipment, as defined above, or for remodeling or construction of facilities, must receive prior approval from the OSE. Approval for equipment and construction or alteration of facilities must be included in the LEA Funding Application. If an LEA determines that equipment and construction or alteration of facilities is needed after the time that the LEA Funding Application is submitted, its project budget must be amended and approved prior to the expenditure of funds.

3. Use of Equipment

- a. Equipment purchased with federal funds shall be used for the program or project for which it was acquired as long as needed, whether or not the project or program



continues to be supported by federal funds.¹⁸ Furthermore, equipment purchased using IDEA Part B funds must be used in accordance with the applicable provisions of Part 300.

- b. Equipment or property purchased exclusively with IDEA Part B funds must be used exclusively for the benefit of the special education program.

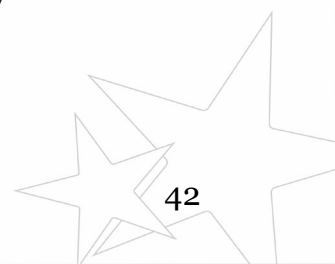
4. Leasing of Equipment

- a. Where appropriate, LEAs are permitted to use IDEA funds to lease equipment in support of their special education programs. LEAs must carefully evaluate decisions related to lease versus purchase alternatives in order to determine the most economical approach.
- b. Allowability of leases is based upon:
 - Leasing costs of comparable equipment
 - Alternatives available
 - The type, life expectancy, condition, and value of the equipment leased
- c. All leases must be entered into by way of a written contract that specifies the terms and conditions of the lease. Lease contracts must be reviewed periodically to determine if needs or circumstances have changed and if other options are determined to be available. For IDEA Part B, leases must be in accordance with the applicable provisions of Part 300. Approval for the leasing of equipment must be included in the LEA Funding Application. If an LEA determines that equipment is needed after the time the LEA Funding Application is submitted, its project budget must be amended and approved prior to the expenditure of funds.

5. Inventory Management Systems

- a. LEAs and charter school subrecipients that use IDEA Part B funds to purchase equipment or property, as defined in section 1, must maintain adequate inventory management that complies with [2 CFR §200.313 \(c\)-\(e\)](#). A physical inventory of the property must be taken, and the results must be reconciled with the property records at least once every two years. Property records must contain information set forth in [2 C.F.R. §200.313\(d\)\(1\)](#) and the [Mississippi Public School Asset Management Manual, including](#) , at a minimum:
 - A description of the property, serial number, or other identification number
 - The source of property
 - The titleholder
 - The acquisition date
 - The cost of the property;
 - The percentage of federal participation in the cost of the property

¹⁸ [2 CFR §200.48, 200.58, and 200.439](#)



- The location, use, and condition of the property
 - Any ultimate disposition data, including the date of disposal and the sale price of the property
- d. In addition to the above information, the inventory management system should ensure that all source documents in support of the above information are maintained throughout the life and disposition of the equipment. Property records should be updated frequently so that grantees and subgrantees can account for every piece of equipment purchased with federal funds at any given time.
- e. LEAs must maintain control of, hold title to, and administer equipment and property purchased with IDEA funds that are used to provide services to children in private schools.¹⁹

6. Inventory Control

- a. Each LEA must develop an inventory control system to ensure:
1. Adequate safeguards to prevent loss, damage, or theft
 2. Physical inventory of property at least every two years
 3. Adequate maintenance of equipment
 4. Disposition of Equipment

Any loss, damage, or theft must be investigated and the results documented.

7. Disposing of Equipment

[2 CFR §200.313\(e\)](#) establishes rules for disposing of equipment

- a. **Disposition.** When original or replacement equipment acquired under a grant or subgrant is no longer needed for the original project or program or for other activities currently or previously supported by a federal agency, disposition of the equipment will be made as follows:
1. Items of equipment with a current per-unit fair market value of less than \$5,000 may be retained, sold, or otherwise disposed of with no further obligation to the awarding agency.
 2. Items of equipment with a current per-unit fair market value in excess of \$5,000 may be retained or sold, and the awarding agency shall have a right to an amount calculated by multiplying the current market value or proceeds from the sale by the awarding agency's share of the equipment.
 3. In cases where a grantee or subgrantee fails to take appropriate disposition actions, the awarding agency may direct the grantee or subgrantee to take excess and disposition action.

¹⁹ [34 CFR §300.144\(a\)](#)



IX. Coordinated Early Intervening Services (CEIS)

1. Definitions and Requirements

Distinguishing between Voluntary Coordinated Early Intervening Services (CEIS) and Required Comprehensive Coordinated Early Intervening Services (CCEIS)

- a. **Voluntary CEIS.** An LEA may select to reserve up to 15% of its IDEA Part B allocations (Section 611, Section 619, or a combination not to exceed the maximum amount) to implement voluntary CEIS. LEAs may use funds for students in kindergarten (including four-year-old kindergarten students) through Grade 12 who are not currently identified as needing special education or related services.
- b. **Required CCEIS.** An LEA determined to have significant disproportionality based on race or ethnicity is required to use the maximum amount (15%) of their IDEA Part B allocations (Section 611 and Section 619 combined) for required CCEIS. LEAs can use these funds for students ages 3 through Grade 12 who are 1) general education students or 2) general education and students with disabilities.
- c. In both cases, whether voluntary or required, LEAs must use these funds on students needing additional academic and behavioral intervention to succeed in a general education environment.

Table 7. Comparison of voluntary CEIS and required CCEIS

Element	Coordinated Early Intervening Services	Comprehensive Coordinated Early Intervening Services
Abbreviation	CEIS	CCEIS
Regulation	34 CFR §300.226	34 CFR §300.646
Type	Voluntary — LEAs can choose to use a portion of their IDEA Part B funds for services to a defined group of at-risk students.	Required — LEAs identified as having significant disproportionality in identification, placement, and/or disciplinary removals must use IDEA Part B funds for CCEIS.
Grade level/ ages served	Kindergarten through Grade 12	Age 3 through Grade 12
Funds	Up to 15% of IDEA Part B funds (611 and 619)	Exactly 15% of Part B funds (611 and 619)



Element	Coordinated Early Intervening Services	Comprehensive Coordinated Early Intervening Services
Permitted activities	<p>Professional development for teachers and other school staff to enable such personnel to deliver scientifically based academic and behavioral interventions, including scientifically based instruction and, where appropriate, instruction on the use of adaptive and instructional software.</p> <p>Educational and behavioral evaluations, services, and supports, including scientifically based instruction.</p>	<p>Professional development and educational and behavioral evaluations, services, and supports.</p> <p>The activities must address factors and policy, practice, or procedure contributing to significant disproportionality.</p>
Reporting requirements	<p>An LEA is required to report to the state, and the state is required to report to the U.S. Department of Education the following:</p> <ul style="list-style-type: none"> • The number of children served under this section who received early intervening services • The number of children served under this section who received early intervening services and subsequently received special education and related services under Part B of IDEA during the preceding two-year period. 	<p>An LEA is required to publicly report on the revision of policies, practices, and procedures.</p> <p>Additional reporting requirements to be determined by OSEP at a future date.</p>

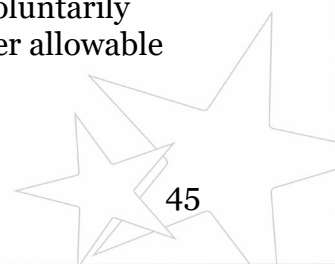
Source: A Comparison of Mandatory Comprehensive Coordinated Early Intervening Services (CCEIS) and Voluntary Coordinated Early Intervening Services (CEIS), IDEA Data Center (<https://ideadata.org/>)

Maximum Amount Available for CEIS

- a. LEAs may not elect to reserve more than 15% of their IDEA Part B allocations (Section 611 and 619) for CEIS. LEAs found to have significant disproportionality must set aside exactly 15% of their total Section 611 and 619 awards. LEAs that participate in voluntary CEIS may elect to reserve up to 15% of their total Section 611 and 619 awards.

Period of Availability for CEIS Funds

- a. CEIS funds are available for the same period as IDEA funds. LEAs have 27 months to obligate funding and 30 months to liquidate all obligations. If an LEA voluntarily reserves CEIS funds, it may request the funds be made available for other allowable IDEA Part B purposes at any time in the period of availability.



- b. LEAs who are required to set aside CEIS funds are prohibited from using them for any other purpose. Therefore, when CEIS is required, those funds must remain reserved until the end of the period of availability. CCEIS funds that are not expended within the period of availability will be required to return those funds to the OSE so they may be returned to the U.S. Department of Education.

Monitoring the Timely Expenditure of CEIS Funds

Mandatory

- a. MDE monitors each LEA regularly for the timely expenditure of CEIS funds to ensure that funds are used within the period of performance and in accordance with approved CEIS plans submitted in each LEA’s IDEA Funding Application.
- b. If MDE finds that an LEA is expending its IDEA funds at a rate that will result in the LEA lapsing funds, the OSE contacts the district to provide technical assistance and take necessary actions to ensure funds are expended by requiring LEAs to submit a written plan for the timely expenditure of funds.

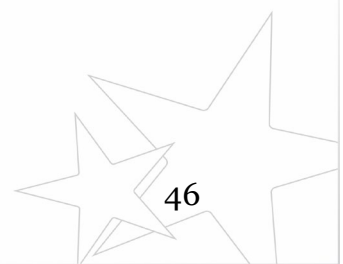
Allowable Use of CEIS Funds

- a. IDEA identifies two allowable activities that may be considered CEIS:
 - 1) Professional development for teachers and other school staff to enable personnel to deliver scientifically based academic and behavioral interventions, including scientifically based literacy instruction and, where appropriate, instruction on the use of adaptive and instructional software
 - 2) Providing educational and behavioral evaluations, services, and supports, including scientifically based literacy instruction ²⁰

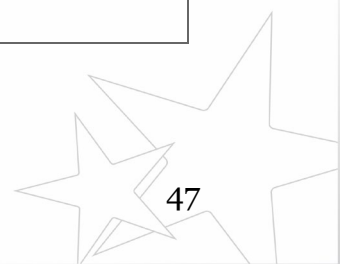
Table 8. Allowable CEIS/CCEIS expenditures

CEIS/CCEIS Allowable Expenditures	Additional Information
ADVERTISING: Costs associated with advertising in media such as newspapers, radio, television, direct mail, exhibits, electronic, or computer transmittals.	
AFTER SCHOOL: CEIS/CCEIS funds may be used to provide academic and behavioral interventions after school under certain circumstances.	CEIS/CCEIS funds <u>may not</u> be used for after- school programming available to all students.
ALTERNATIVE EDUCATION: CEIS/CCEIS funds <u>may be used only</u> in programming that provides interventions in addition to universal/core programming.	CEIS/CCEIS funds <u>may not</u> be used for alternative or at-risk programming that replaces universal/core programming.

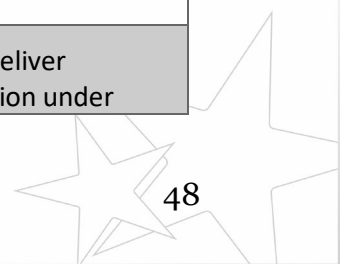
²⁰ [34 CFR §300.226\(b\)](#)



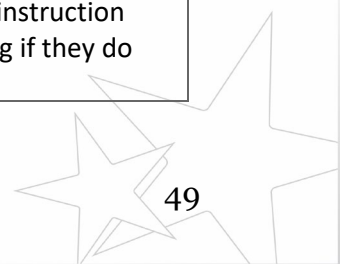
CEIS/CCEIS Allowable Expenditures	Additional Information
<p>AT-RISK PROGRAMMING: CEIS/CCEIS funds <u>may be used only</u> in programming that provides interventions in addition to universal/core programming.</p>	<p>CEIS/CCEIS funds <u>may not</u> be used for alternative or at-risk programming that replaces universal/core programming.</p>
<p>CEIS/CCEIS COORDINATOR SALARY: CEIS/CCEIS funds may be used for salaries and fringe benefits, or portion thereof, for staff directly coordinating or supervising allowable CEIS/CCEIS activities.</p>	
<p>COACHES (Mentors): LEAs may hire or contract with individuals or organizations for mentoring/coaching services to help carry out allowable activities funded by CEIS/CCEIS. A mentor or coach must be appropriately licensed to provide instruction to students eligible for CEIS/CCEIS services. Mentors and coaches <u>may support, reinforce, or follow up on</u> instruction provided by and under the supervision of an appropriately licensed general education teacher. See guidance around “Supervision” below.</p>	
<p>COMPUTING DEVICES: CEIS/CCEIS funds may be used to purchase computers, laptops, touch screen devices, etc., if the devices will be used primarily for the delivery of academic or behavioral interventions.</p>	<p>LEAs must track these devices and ensure their usage aligns with LEA activities as reported in the approved CEIS/CCEIS Plan narrative and budget.</p>
<p>CORE CURRICULUM: CEIS/CCEIS funds <u>may be used to</u> fund supplemental academic and behavioral interventions for students determined to need additional academic and behavioral supports to succeed in general education.</p>	<p>CEIS/CCEIS funds are not intended to be used for Core Curriculum.</p>
<p>ELECTRONIC DEVICES: CEIS/CCEIS funds may be used to purchase DVD players, camcorders, computing devices, etc., <u>if</u> the devices will be used primarily for the delivery of academic or behavioral interventions.</p>	<p>LEAs must track these devices and ensure that their usage aligns with LEA activities as reported in the approved CEIS/CCEIS Plan narrative and budget.</p>
<p>EXTENDED CONTRACTS/EXTENDED HOURS: CEIS/CCEIS funds may be used to pay for extended contracts or extended hours of staff directly involved with the coordination, supervision, or delivery of academic or behavioral interventions and progress monitoring.</p>	



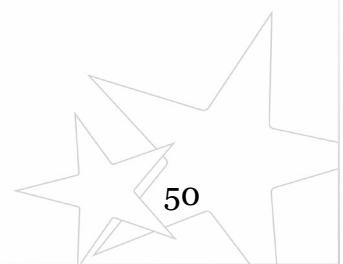
CEIS/CCEIS Allowable Expenditures	Additional Information
<p>GENERAL EDUCATION TEACHER SALARIES: CEIS/CCEIS funding for general education teachers that provide academic interventions, behavioral interventions, assessments, and receive/deliver professional development.</p>	<p>Any staff charged to a federal grant must be appropriately licensed in the area in which they are providing academic instruction.</p>
<p>GUIDANCE COUNSELOR SALARIES — SCHOOL- BASED: Examples of activities that may be funded with CEIS/CCEIS include a school guidance counselor’s effort to implement behavioral interventions, progress monitoring, other CEIS/CCEIS evaluations, and related professional development.</p>	<p>School guidance counselors may not deliver reading or math instruction under CEIS/CCEIS funding unless they also hold the appropriate license to deliver reading or math instruction.</p>
<p>INDIRECT COSTS: LEAs are allowed to identify an indirect rate up to its negotiated indirect rate for CEIS/CCEIS. The indirect percentage identified for the LEA’s IDEA flow-through budget is the same percentage charged to the LEA’s CEIS/CCEIS budget, as they are the same funding source.</p>	
<p>INCENTIVES for STUDENTS: Nominal items of low value may be purchased with CEIS/CCEIS funds to be used as part of the coordinated delivery of academic or behavioral interventions. The items should be educational in nature. The amount charged to the CEIS/CCEIS set-aside funds must be reasonable and prudent.</p>	<p>The following <u>are not</u> allowed incentives: cash, cash cards, gift cards, computing devices (e.g., iPads, Nooks, Kindles, etc.).</p>
<p>INSTRUCTIONAL MATERIALS: Instructional materials purchased with CEIS/CCEIS funds must be exclusively used for delivering academic or behavioral interventions to students who, through a universal screening process, have been determined to be in need of additional support.</p>	<p>CEIS/CCEIS funds <u>may not</u> be used to purchase materials used in the core instructional program intended for all students.</p>
<p>MENTORS: LEAs may hire or contract with individuals or organizations for mentoring/coaching services to help carry out activities funded by CEIS/CCEIS. Mentors and coaches <u>may support, reinforce, or follow up on</u> instruction provided by and under the supervision of an appropriately licensed general education teacher. See guidance around “Supervision” below.</p>	<p>A mentor or coach, unless appropriately licensed, <u>may not</u> provide instruction to students.</p>
<p>NURSE SALARIES — SCHOOL- BASED: Examples of activities that may be funded with CEIS/CCEIS include a</p>	<p>School nurses <u>may not</u> deliver reading or math instruction under</p>



CEIS/CCEIS Allowable Expenditures	Additional Information
school nurse's efforts to implement progress monitoring, other CEIS/CCEIS evaluations, behavioral interventions, and related professional development.	CEIS/CCEIS funding if they do not hold the appropriate license to deliver reading or math instruction.
<p>PARAPROFESSIONAL SALARIES: The paraprofessional must serve as a general education paraprofessional and may: 1) participate in professional development to enable the paraprofessional to support the delivery of scientifically based academic and behavioral interventions and, if appropriate, the use of adaptive and instructional software ; and 2) support, reinforce, or follow up on the provision of educational and behavioral services provided by and under the supervision of an appropriately licensed general education teacher. See guidance around “Supervision” below.</p>	
<p>PROFESSIONAL DEVELOPMENT SERVICES: LEAs may purchase professional development services provided it is for teachers and other school staff to enable such personnel to deliver scientifically based academic and behavioral interventions, including scientifically based literacy instruction and, where appropriate, instruction on the use of adaptive and instructional software; and providing educational and behavioral evaluations, services, and supports, including scientifically based literacy instruction.</p>	
<p>PROGRESS MONITORING ACTIVITIES/SOFTWARE: CEIS/CCEIS funds may be used for progress monitoring of supplemental interventions provided to those students determined to need additional academic and behavioral supports to succeed in general education.</p>	CEIS/CCEIS funds <u>may not</u> be used for universal screening or assessment administered to all students in a grade, school, or LEA.
<p>PSYCHOLOGIST SALARIES — SCHOOL- BASED: Examples of activities that may be funded with CEIS/CCEIS include a school psychologist's efforts to implement behavioral interventions, progress monitoring, other CEIS/CCEIS evaluations, and related professional development.</p>	School psychologists <u>may not</u> deliver reading or math instruction under CEIS funding <u>unless</u> they also hold the appropriate license to deliver reading or math instruction.
<p>SOCIAL WORKER SALARIES — SCHOOL- BASED: Examples of activities that may be funded with CEIS/CCEIS include a school social worker’s effort to implement progress monitoring, other CEIS/CCEIS</p>	School social workers <u>may not</u> deliver reading or math instruction under CEIS/CCEIS funding if they do



CEIS/CCEIS Allowable Expenditures	Additional Information
evaluations, behavioral interventions, and related professional development.	not hold the appropriate license to deliver reading or math instruction.
<p>SOFTWARE (Instructional): Software purchased with CEIS/CCEIS funds must be exclusively used in the delivery of academic or behavioral intervening services, including instruction and progress monitoring.</p>	<p>CEIS/CCEIS funds <u>may not</u> be used to purchase software used in the core instructional program nor universal screening intended for all students. Computer software used for CEIS/CCEIS often include a universal screening function along with interventions for the students. The universal screening aspect of such software is unallowable, and the LEA <u>must be able</u> to determine what portion of the cost of the software is allocable to CEIS/CCEIS funding, determining the cost of the program that can be funded through CEIS/CCEIS, and what has to be absorbed by the LEA. If the LEA is unable to make this determination, then the cost is unallowable.</p>
<p>SPECIAL EDUCATION TEACHER SALARIES: Teachers who hold both special education <u>and</u> general education licenses may provide CEIS/CCEIS if their job assignment is prorated. Special education teachers <u>may be</u> compensated through CEIS/CCEIS to deliver interventions to students needing such interventions. In such instances, proper time and effort records must be kept.</p>	<p>Special education staff <u>may not</u> be funded with CEIS/CCEIS funds to deliver special education to students with disabilities.</p>
<p>SUBSTITUTE TEACHER SALARIES: LEAs may budget for general education substitute teachers to help carry out activities funded by CEIS/CCEIS, including providing opportunities for teachers to participate in professional development related to CEIS/CCEIS activities.</p>	
<p>TRAVEL — STAFF: Travel costs must be generated as a result of implementing activities funded by CEIS/CCEIS, such as professional development.</p>	



CEIS/CCEIS Allowable Expenditures	Additional Information
<p>TUTORS: LEAs may hire or contract with individuals or organizations for tutoring services to carry out CEIS/CCEIS activities. Tutors may: 1) participate in or provide professional development to enable teachers and other school staff to deliver scientifically based academic and behavioral interventions, and if appropriate, the use of adaptive and instructional software; and 2) support, reinforce, or follow up on the provision of educational and behavioral services provided by and under the supervision of an appropriately licensed general education teacher.</p>	

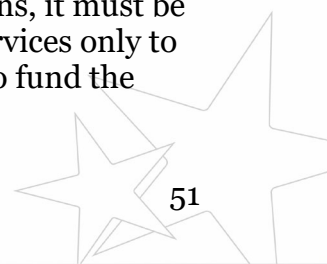
Supervision

- a. Supervision means regular, continuing interaction between the appropriately licensed staff member (i.e., supervisor) and the individual carrying out CEIS/CCEIS activities. There must be sufficient contact between the supervisor and the individual carrying out CEIS/CCEIS activities and between the supervisor and the student to monitor the services provided.

Any staff charged to a federal grant must maintain time and effort documentation.

Supplement, not supplant

- a. The general non-supplant requirement for IDEA funds in [34 CFR §300.202\(a\)\(3\)](#) states that funds provided to LEAs under IDEA Part B must be used to supplement state, local, and other federal funds and not to supplant those funds. This requirement applies to all Part B funds, including any used for CEIS.
- b. CEIS may not include services provided with other funds in a prior year, including services paid with ESEA funds. Plans submitted to MDE that propose activities already in place without demonstrating how the services or students served will be increased will not be approved.
- c. In addition, [34 CFR §300.226\(e\)](#) states that CEIS funds may be used to carry out CEIS aligned with activities funded and carried out under the ESEA if those funds are used to supplement, and not supplant, funds made available under the ESEA for the activities and services assisted using CEIS funds. An LEA is in violation of the IDEA's supplement not supplant provisions if it uses IDEA funds in one of the following ways: (1) to provide services that are otherwise required by federal, state, or local law; or (2) to provide services that were paid for with other funds in a prior year, including, if the IDEA funds are used for CEIS activities coordinated with activities funded under the ESEA, and the IDEA funds are used to provide services that were paid for with ESEA funds in the prior year.
- d. If an LEA chooses to use CEIS funds to support school-wide interventions, it must be able to provide documentation that CEIS funds were used to provide services only to students in need of additional support and that other funds were used to fund the



school-wide intervention for special education students and students who do not need additional support.²¹

Required CCEIS

- a. Under [34 CFR §300.646\(d\)](#), if a state identifies significant disproportionality based on race or ethnicity in an LEA with respect to the identification of children as children with disabilities, the identification of children in specific disability categories, the placement of children with disabilities in particular educational settings, or the taking of disciplinary actions, the LEA must use the maximum amount (15%) of funds allowable for comprehensive or required CCEIS for children in the LEA, particularly, but not exclusively, for children in those groups that were “significantly overidentified.”
- b. To determine significant disproportionality, MDE performs a risk ratio annually for each LEA. The OSE notifies LEAs of their areas of significant disproportionality and the required actions that will lead to the implementation of CCEIS. For more information on how significant disproportionality is determined please see: https://mdek12.org/sites/default/files/Offices/MDE/OAE/OSE/sped-powerpoints-page/understanding_ceis_and_significant_disproportionality.pdf

Interaction of CEIS and LEA Maintenance of Effort

- a. If an LEA is required or chooses to use part of its Part B funds for CEIS, it must consider the effect the decrease in the available Part B funds might have on the LEA's maintenance of effort (MOE) obligation. If an LEA uses additional local funds, or state and local funds, for special education and related services for children with disabilities in place of the Part B funds that are being used to provide CEIS to children who have not been identified as children with disabilities, the higher level of local, or state and local, expenditures become the LEA's new MOE base for the subsequent year.²²
- b. LEAs that seek to reduce their LEA MOE in accordance with [34 CFR §300.205\(d\)](#) and use some of their IDEA Part B funds for early intervening services under [34 CFR §300.226](#) must do so with caution as the LEA MOE provision and the authority to use IDEA Part B funds for early intervening services are interconnected.
- c. If an LEA receives an increase in its Section 611 allocation from one year to the next, the LEA may reduce its LEA MOE obligation for that year by 50% of the IDEA Section 611 allocation increase.²³ If an LEA voluntarily sets aside IDEA funds for CEIS and there is a MOE reduction available, the amount set aside for CEIS will reduce the amount of MOE reduction the LEA may take by the amount set aside by CEIS. Furthermore, the amount set aside for CEIS must be less than the amount of the reduction.

²¹ [OSEP Memo 08-09](#), Question 2.

²² [OSEP Memo 08-09](#), Question 23.

²³ [34 CFR §300.205\(d\)](#)



- d. An LEA that is required to use IDEA Part B funds to implement CCEIS may not reduce its MOE amount in this manner due to their identification of significant disproportionality.

2. General Procedures for Local Educational Agencies

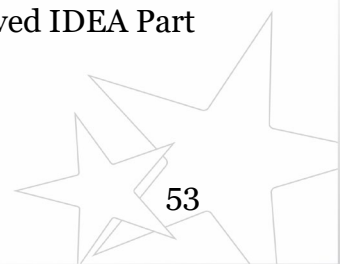
Calculation of CEIS Amounts

- a. MDE requires any LEA identified as having significant disproportionality to reserve the maximum amount (15%) of funds to provide required CCEIS.²⁴ Through an automated methodology, the MDE OTSS identifies all LEAs with significant disproportionality and calculates 15% of its IDEA Part B allocations (Section 611 and Section 619) for required CCEIS. The calculations are based on the estimated total IDEA Part B allocation. The generated amount pre-populates the LEA Funding Application on the Mississippi Comprehensive Automated Performance-based System (MCAPS).
- b. An LEA may voluntarily reserve up to 15 % of its total IDEA Part B allocations (Section 611 and Section 619) for CEIS through MDE’s LEA Funding Application on the MCAPS. There are two separate applications for Section 611 and Section 619 funds, and both allow the LEA to reserve up to 15% of its funds for CEIS. MDE works with LEAs on an individual basis to allow the full 15% of eligible CEIS funds to be drawn from Section 611, Section 619, or a combination of the two.
- c. Funds awarded to an LEA under both Sections 611 and 619 of the IDEA are included when calculating the 15 %. An LEA may not reduce the amount it uses for this calculation by any other amount required by the IDEA. MDE does not deduct funds for other items, such as equitable services for parentally placed private school students with disabilities, before calculating the 15% .

Application for Funds

- a. Each LEA reserving funds for CEIS, either voluntary or required, must submit a CEIS plan in its Application for Funds. LEAs must provide detailed information outlining the identified areas of disproportionality (for CCEIS), areas the funds will target (e.g., grade levels, schools, professional development, etc.), how these funds be used to assist in alleviating the disproportionality problem within the LEA (for CCEIS), and the specific interventions or areas to be addressed by school and grade level.
- b. Each LEA reserving funds for CEIS, either voluntary or required, must also submit a detailed budget, including equipment outlining the costs of CEIS activities. All costs associated attributed to CEIS must be categorized using the appropriate budget tag. The LEA must indicate the MSIS code for any personnel listed. Each line item of the budget must align with the activities outlined in its CEIS plan. LEAs identified with significant disproportionality are required to upload their root cause analysis for review with their CEIS plan to ensure the alignment of activities.
- c. The OSE reviews CEIS plans to ensure the allowable use of funds as described in Section 5 of these procedures and that LEAs have budgeted for all reserved IDEA Part

²⁴ [34CFR §300.646 Disproportionality](#)



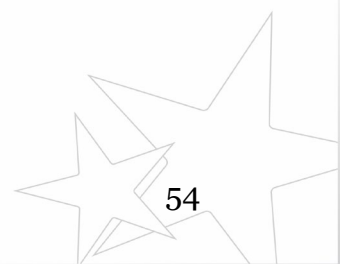
B funds. An LEA may not expend any IDEA Part B funds for CEIS activities until its CEIS plan and budget have been approved by MDE.

- d. The LEA Funding Application must be submitted to MDE during the MCAPS application period each year. For an LEA to obligate funds beginning July 1, its Funding Application must be submitted in MCAPS by June 30 to be considered substantially approved. If an LEA does not submit its application by June 30, then the LEA may not obligate funds until the date its application has been submitted and is substantially approved. The timeframe by which LEA applications must be reviewed by MDE staff and returned is within 30 days of their submission. An LEA does not have access to request or draw down funds until it has received final approval on its application.
- e. LEAs that are not required to reserve CCEIS funds and have not voluntarily reserved the maximum 15% are permitted to revise project budgets after their initial submission to voluntarily set aside CEIS funds at any time during the grant award period.

MDE LEA Reporting Requirements

- a. LEAs that are required or voluntarily set aside CEIS funds are obligated to submit an annual CEIS Report as part of their annual submission to MDE by June 30. MDE requires this as a part of its annual submission, which is due June 30. Reports are submitted through MCAPS. LEAs must report on the number of students for each grade level (Grades K–12) in the following categories:
 - Total number of students who received CEIS (in the current reporting period), including students with disabilities who received CCEIS
 - Total number of students from column B who were students with disabilities (only allowed for mandatory CCEIS)
 - Number of students who receive CEIS services in the two subsequent years and/or the current reporting period and received special education or related services in the current reporting period ²⁵
 - Additionally, students who receive services funded by CEIS must be identified within MSIS. This identification allows MDE to track students in subsequent years.
- b. For counting and tracking students served by personnel who participated in professional development activities supported with CEIS funds, the LEA should count the number of students in need of additional support who received instruction from personnel who participated in the professional development program. It is not appropriate to count every student taught by these personnel if some of the students were not in need of additional support or, for voluntary CEIS, were receiving special education services. The LEA should only count the students and the personnel who participated in the professional development program in the year(s) of or the year(s)

²⁵ [34 CFR §300.226\(d\)](#)



immediately after the training rather than counting the students and those personnel each year after the training.

- c. For a school-wide intervention initiative supported with CEIS funds, the LEA should count students who meet the LEA's criteria of needing additional support and participate in the initiative as receiving CEIS in the year(s) of or the year(s) immediately following the initiative and tracked for the following two years. Students who participate in an initiative for more than one year should be counted each year they participate.
- d. LEAs may use CEIS funds to provide behavioral and educational evaluations to determine the supports needed by students to succeed in a general education environment. However, funds may not be used for evaluations intended for use in determining eligibility for special education and related services. Students who are evaluated to determine the supports necessary for success in a general education environment should be counted as receiving CEIS in the year of or the year immediately following the evaluation and tracked for the following two years.

The CEIS report requires the signature of the special education director/ coordinator.

MDE Federal Reporting Requirement

- a. States are required to report MOE Reduction and CEIS data under Title 1, Part A, and Subsection 618 of IDEA.

Part B MOE Reduction and CEIS data come from one file:

- IDEA Part B MOE Reduction and CEIS

This information is submitted to the OSEP on the EMAPS platform by the IDEA Part B data manager.

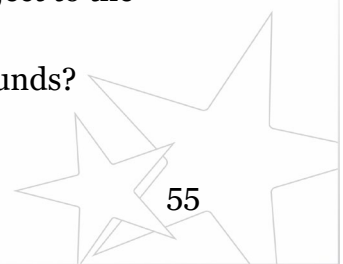
3. Question and Answer

- a. If a district was required for CCEIS for FFY18— but not for FFY19 and FFY20— and it still has approximately \$20,422.50 left over from FFY18, what are their options?

When an LEA is required to use 15% of its IDEA funds for CCEIS, these funds may not be used for any other purpose. If, after the period of availability, the entire amount of these funds set aside for CCEIS has not been properly spent or obligated, funds must be returned to the U.S. Department of Education . Expired IDEA funds that were not spent or obligated during their availability period are typically returned by the LEA to the SEA to be returned to the U.S. Department of Education.

LEAs that voluntarily choose to set aside IDEA funds for this purpose may elect to reduce the amount they originally determined to set aside for this purpose and transfer these funds back to the IDEA program. These funds are subject to the restrictions and requirements of IDEA for flow-through funds.

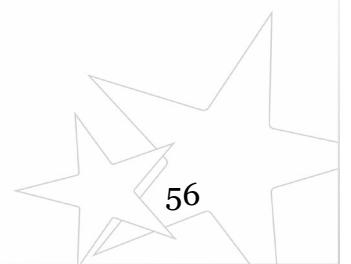
- b. Is there any guidance on which students should be targeted with CEIS funds?



IDEA particularly encourages districts to emphasize students in kindergarten through third grade for CEIS. The rationale for using IDEA funds for CEIS is based on research showing that the earlier a child’s learning problems or difficulties are identified, the more quickly and effectively the problems and difficulties can be addressed and the greater the chances that the child’s problems will be ameliorated or decreased in severity. Conversely, the longer a child goes without assistance, the longer the remediation time and the more intense and costly services might be.

X. Parentally Placed Private School Student Procedures Including Proportionate Share

- a. IDEA requires each LEA that receives IDEA funds to spend a **proportionate share** of their Part B federal grants on **equitable services** for private school students ([34 CFR §300.129-300.144](#) and [Appendix B](#)).
- b. Parentally placed private school children with disabilities are children with disabilities enrolled by their parents in private, nonprofit (including religious schools), or facilities that meet the definition of elementary school or secondary school as outlined in state and federal regulations, excluding children with disabilities placed or referred by public agencies.
- c. In Mississippi, the definition of a nonpublic school includes the following: (a) private schools, (b) parochial and other church-related schools, (c) special purpose schools, either privately owned and operated or governed by a public agency other than the Mississippi Department of Education (MDE), and (d) tribal schools funded by the Bureau of Indian Education (BIE). Nonpublic schools may be operated either as a for-profit organization or a nonprofit, tax-exempt corporation. Home schools and homeschooling programs, as well as private and parochial preschool programs and facilities, do not meet the state’s definition of an “elementary school” (Mississippi Nonpublic School Accountability Standards, 2021. Accreditation of private schools is optional. Nonpublic schools may be accredited by independent nonpublic school accrediting agencies [Miss. Code Ann. §37-17-9]). Additionally, nonpublic schools “serving school- age students” may request to be accredited by the State Board of Education (Miss. Code Ann. §37-17-7. Nonpublic Schools Accountability Standards, 1.0, 2021).
- d. LEAs are required to locate and evaluate students with disabilities enrolled by their parents in private schools under the LEA’s jurisdiction and to calculate and spend a proportionate share of IDEA grant funds providing equitable services for these students. Private school proportionate share under IDEA Part B is the portion of a district’s IDEA Part B grants that must be reserved and expended on eligible parentally placed private school students with disabilities educated within a district’s geographic boundaries, regardless of where the students live.
- e. In order to provide equitable services to parentally placed private school children with disabilities, LEAs must comply with the following procedures:



Timely and Meaningful Consultation (34 CFR §300.134)

- a. Annually, LEAs are required to invite private school representatives and representatives of parents of eligible privately enrolled students to a consultation meeting. The law does not preclude private school staff from serving to represent the interest of the student in lieu of a parent representative. During that meeting, topics that must be discussed are the child find process, the determination of proportionate share, the consultation process, the provision of special education and related services, and the provision of a written explanation by the district regarding services (in the event of disagreement between the district and private school officials). Although the initial consultation must occur prior to other required activities, additional consultation should subsequently occur and be an ongoing process. Ongoing consultation may be with individuals or groups of private school representatives.
- b. If a private school refuses to participate in meaningful consultation, an LEA should document all attempts to engage the private school and any communication sent to and received from the private school. A private school has the right to file a complaint with MDE if it deems the LEA did not provide timely and meaningful consultation. In addition, state complaints may be filed by either private schools or parents who allege that the LEA failed to carry out the regulations related to the consideration and provision of equitable services under IDEA. However, due process complaints may only be filed regarding child find, which must be filed with the LEA and then sent to the OSE.

Written Affirmation Following Consultation (34 CFR §300.135)

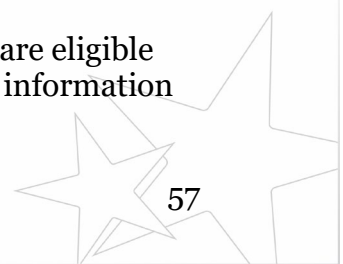
- a. After the annual meeting, each LEA must obtain written affirmation confirming that timely and meaningful consultation has occurred, signed by the private school representatives. The written affirmation is confirmation that consultation has occurred—not that there is agreement among meeting participants.

Child Find (34 CFR §300.131)

- a. MDE is responsible for ensuring that all students who reside in the state, including students enrolled in private schools and who need of special education and related services, are identified, located, and evaluated. The LEA is responsible for providing child find to all students receiving instruction within the LEA's geographical boundaries, including those children who do not reside within the LEA's jurisdiction. Child find activities in private schools must be similar to those provided to the LEA's public school children and in a comparable time period. Funds spent on child find may not be counted toward the LEA's proportionate share expenditures. Child find data must be used to ensure equitable services are provided to identified children with disabilities.

Evaluation and Determination of Eligibility

- a. LEAs must evaluate and determine whether privately enrolled students are eligible for special education services. LEAs may accept a prior evaluation if the information



is comprehensive and current. The LEA must maintain and provide MDE with the number of children evaluated, determined to be children with disabilities, and served each year.

MCAPS Reporting

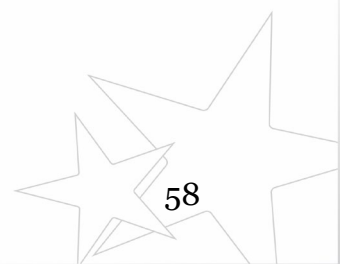
- a. Annually, LEAs are required to upload a Private School Consultation Affirmation of IDEA in the Funding Application. In addition, LEAs are required to report the number of private school children evaluated, the number of private school children determined to be children with disabilities, and the number of private school children served by the school district each year in the private school section of their IDEA Funding Application.

Child Count and Proportionate Share Calculation ([34 CFR §300.133](#) and [Appendix B to the Regulations](#))

- a. To ensure the provision of equitable services for parentally placed private school children with disabilities, LEAs are required to determine the number of parentally placed private school children with disabilities enrolled in the LEA. The child count is the number of eligible students, not the number of students receiving services.
- b. To calculate proportionate share, separately for the IDEA Section 611 and Section 619 grants, MCAPS automatically calculates each LEA's proportionate share using the following methodology:
 1. Determine the total number of eligible parentally placed private school children with disabilities
 2. Add that number to the total number of eligible special education students in public schools served by the LEA
 3. Divide the total number of eligible students, including public and private school students, by the total grant award (Section 611 and 619 separately) to determine the average allocation per eligible child
 4. Multiply the average allocation per eligible child by the number of eligible parentally placed private school children with disabilities to determine the proportionate share of funds to be expended on equitable services for private school students
- c. The child count collected on December 1 is used to determine the proportionate share amount for the following school year.

Proportionate Share Expenditure ([34 CFR §300.138](#))

- a. Following consultation with representatives of the private schools and parent representatives of eligible private school students, LEAs determine which services to provide. IDEA allowability rules, which can be found in the MDE Funding Manual, apply to proportionate share funds. LEAs must document expenditures and other activities related to IDEA and proportionate share.



Development of Services Plans (34 CFR §300.138)

- a. LEAs are responsible for ensuring that each parentally placed private school student with a disability, who has been designated to receive proportionate share services, has a services plan describing the specific special education services the LEA will provide, including where and when the district will provide services to the student.

Providing or Contracting for Services (34 CFR §300.141)

- a. In expending federal IDEA Part B funds, an LEA may provide services at the private school, at a public or neutral site convenient to the private school, on public school grounds, or contract for the provision of services at an appropriate site, ensuring that they provide transportation to the student. IDEA funds may not be paid directly to the private school and may not be used to meet the general needs of students.

Use of Personnel (34 CFR §300.142)

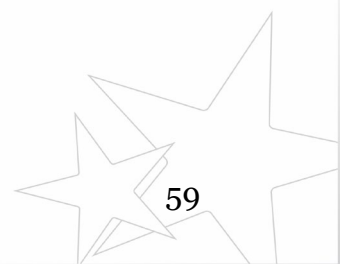
- a. LEAs may use proportionate share funds to pay public school personnel to provide services in private schools. Personnel providing services to children must meet the same standards as LEA personnel, with the exception that they do not need to meet special education teacher qualification requirements. LEAs may use proportionate share funds to pay for the services of an employee of a private school to provide services only if the employee performs the services outside of their regular hours of duty, and the employee performs the services under public supervision and control.

Allowable Use of Funds

- a. In addition to special education and related services, property, equipment, and supplies, including technology and supplementary materials, may be provided to a private school as equitable services for children with disabilities. However, they can only be used for Part B activities. Once Part B services are no longer required, any property, equipment, or supplies must be returned to the LEA. Transportation may also be provided to students when it is necessary for the child to benefit from or participate in the services outlined by a services plan. The LEA may include the cost of transportation in calculating whether it has spent the proportionate share of IDEA Part B funds.

Entitlement to FAPE

- a. FAPE is not guaranteed for parentally placed private school children with disabilities; they do not have an individual right to receive some or all of the special education and related services they would receive if enrolled in public schools. The LEA has the authority to make final decisions, upon consultation, with respect to the equitable services provided for eligible students.



Related Resources

Resources for Part III, Allocation of IDEA Part B Subgrants to LEAs

[Budget History Tables](#): U.S. Department of Education (see 1997 grant awards for Special Education — Preschool Grants on page 19)

[Charter School Expansion Act Regulations](#): (current full text of these regulations can be found under 34 CFR §76 Subpart H)

[Dear Colleague Letter to States on Funding Charter Schools](#) (2015): Office of Special Education and Rehabilitative Services (OSERS), U.S. Department of Education

[EDGAR Regulations](#): 34 CFR §76.788, 76.789, 76.791, 76.792, 76.793, 76.794, 76.796, and 76.797

[Every Student Succeeds Act \(ESSA\) Statute](#): 20 U.S.C. §7221(e)

[Examples of Adjustments to IDEA Subgrant Base Payment Allocations to Local Educational Agencies](#)(2018): CIFR

[IDEA Regulations](#): 34 CFR §300.7, 300.12, 300.13, 300.28, 300.209(c), 300.221, 300.228, 300.703, 300.704, 300.705, 300.807, 300.809, 300.810, 300.812, 300.813, 300.814, 300.815, 300.816, and 300.817

[Letter to Bass](#): (2001): Office of Special Education and Rehabilitative Services (OSERS), U.S. Department of Education

[Letter to Chief State School Officers on School Lunch Program](#) (2014): Office of Special Education and Rehabilitative Services (OSERS), U.S. Department of Education

[Letter to Hokenson](#) (2013): Office of Special Education and Rehabilitative Services (OSERS), U.S. Department of Education

Mississippi Code Title 37. Education §37-23-135: Local educational agency programs for children with disabilities.

Mississippi Code Title 37. Education §37-28-45: Requirements and statutes to which charter schools are subject

[Nonregulatory Guidance: Allocating Federal Funds to Charter Schools](#). U.S. Department of Education

[Office of Special Education and Rehabilitative Services \(OSERS\) Frequently Asked Questions about the Rights of Students with Disabilities in Public Charter Schools under the Individuals with Disabilities Education Act](#): OSERS

[Quick Reference Guide on the Allocation of IDEA Part B Subgrants to Local Educational Agencies](#) (2017): CIFR

Resources for Part IV, Reallocation of IDEA Funds

- [IDEA Regulations](#): 34 CFR §300.227, 300.704, 300.705, and 300.817

