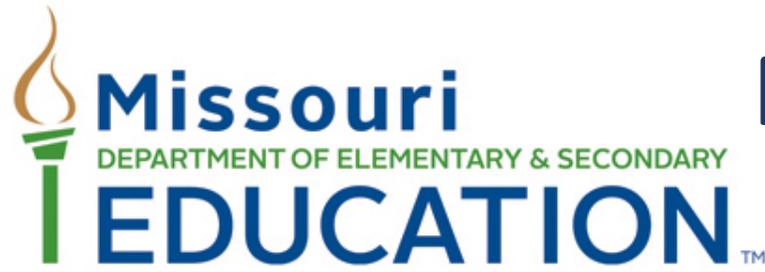


SPECIAL EDUCATION FINANCE PRESENTS:



NEW DIRECTORS FINANCE ACADEMY UTILIZING FUNDS

AUGUST 2020





HOW FEDERAL ALLOCATIONS ARE CALCULATED

IDEA PART B 611 AND 619 ALLOCATION CALCULATION

The allocation calculation is based on the sum of three components:

- Base Amount
 - Calculated on the 3-21 December 1, 1998 (611) and 3-5 December 1, 1997 (619) child count data or the first year the district/LEA had a December 1 child count greater than zero
- Population Amount
 - Calculated on enrollment data (see components on following slide)
- Poverty Amount
 - Calculated on poverty data (see components on following slide)

DATA USED IN IDEA PART B 611 AND 619 ALLOCATIONS

POPULATION DATA	SUBMISSION	Can LEA Change?
PK-12 September Enrollment	October Cycle – MOSIS/Core Data Screen 16	Yes
Parentally Placed Private School Students	October Cycle – MOSIS/Core Data Screen 16	Yes
Non-Resident	October Cycle – MOSIS/Core Data Screen 16	Yes
Home School Students	February Cycle – Core Data Screen 15	Yes
Non-Public Enrollment	Non-Public School submits Non-Public Registration form to DESE Federal Programs Section	No
Neglected/Delinquent Students	Neglected and Delinquent Institutions submit Annual Survey to DESE Federal Programs Section	No
POVERTY DATA	SUBMISSION	Can LEA Change?
Free/Reduced Price Lunch Counts	October Cycle – MOSIS/Core Data Screen 15 (data includes FRL students in grades K-12)	Yes
Community Eligibility Provision (CEP) Identified Student %	Food and Nutrition Services Data Collection	No

IDEA PART B 611 (REGULAR AND ECSE)

IDEA Part B 611 is further broken down by:

- Regular Part B
 - Calculated on the child count for K-21
- ECSE
 - Calculated on child count for 3-5 (not Kindergarten eligible)

DISTRICT VERIFICATION OF DATA

- Data used in determining allocations will be posted in April.
- Districts will be notified via SELS message to review data and make any necessary changes within a specific period of time.
- Once allocations have been calculated, the data can't be changed or updated.

EXAMPLE OF DATA VERIFICATION SPREADSHEET

DATA FOR LEA AND IDEA CALCULATION (data as of March 29, 2025)

		POPULATION DATA								POVERTY DATA		
		FY20 DATA								FY20 DATA		
Co/Dis Code	District Name	PK-12 Sept. Enrollment	Parentally Placed Private School Students included in Enrollment	Non Resident - Receiving Services	Non Resident - Resident District	Home School Count	Non Public Count	Neglected & Delinquent Counts	Total Population	*Federal Free / Reduced Lunch Count K-12	CEP Count (CEP Building Enrollment * Reimbursement Percentage Free)	Total Poverty
1090	ADAIR CO. R-I	239	0	0	4	1	0	0	244	58	105	163
1091	KIRKSVILLE R-III	2590	2	12	0	11	102	21	2710	704		704
1092	ADAIR CO. R-II	149	0	0	4	13	0	0	166	59		59
2089	NORTH ANDREW CO. R-VI	361	0	3	0	5	0	0	363	146		146
2090	AVENUE CITY R-IX	179	0	0	54	0	0	0	233	26		26
2097	SAVANNAH R-III	2293	0	36	0	71	0	0	2328	774		774
3031	TARKIO R-I	353	0	0	0	0	0	0	353	171		171
3032	ROCKPORT R-II	366	4	0	0	0	0	0	366	124		124

= District/LEA has ability to change

CONSEQUENCE OF DATA ERROR

Pre-K Reported Enrollment = 2,590

Pre-K Actual Enrollment = 2,694

Missing Students = 104

Amount of Missed Funding in Allocation = \$12,393



ALLOWABLE USE OF FUNDS

ALLOWABLE USE OF FUNDS

IDEA Part B federal funds may be used for:

- Special Education & Related Services
 - Salaries and Benefits
 - Contracted Services
 - Equipment/Assistive Technology
 - Supplies
 - Travel
 - Facilities/Construction (Capital Outlay)
- Coordinated Early Intervening Services
- Proportionate Share
- Schoolwide Pool

ALLOWABLE USE OF FUNDS

To determine if an expenditure is an allowable use of funds, the district/LEA should ask the following:

- Is the expenditure required to implement an IEP?
- Is the expenditure required to run the special education program?
- Is there adequate documentation to justify and track the use of the item/service by the special education program?

ALLOWABLE USE OF FUNDS

Special education costs paid with IDEA Part B federal funds must be tracked in the general ledger by source code “4” and project code “44100”.

SALARIES AND BENEFITS	PURCHASED SERVICES	SUPPLIES	PROPORTIONATE SHARE (PS)	COORDINATED EARLY INTERVENING SERVICES (CEIS)	EQUIPMENT	CAPITAL OUTLAY	TRAVEL
Track IDEA paid Employees in Payroll System. Report in MOSIS.	Follow Procurement Procedures related to Bidding	Any item with a cost less than \$1,000 per unit	Track all expenditures for PS with function code 1224 or 2557	Track all expenditures for CEIS with function code 1223	Request Prior Approval through ePeGS Budget Application	Request Prior Approval through ePeGS Budget Application	Track IDEA paid travel with 44100 (Part B Project Code)
Track IDEA paid expenditures with 44100 (Part B) Project Code	Track IDEA paid purchased services with 44100 (Part B) Project Code	Track IDEA paid supplies with 44100 (Part B) Project Code	Track IDEA paid PS with 44100 (Part B) Project Code	Track IDEA paid CEIS with 44100 (Part B) Project Code	Track IDEA paid equipment with 44100 (Part B) Project Code	Track IDEA paid Capital Outlay with 44100 (Part B) Project Code	Ensure Obligation Date Meets Requirements
Complete Time and Effort Documentation for IDEA paid Employees	Ensure Obligation Date Meets Requirements	Ensure Obligation Date Meets Requirements	Prorate Salaries and Benefits as appropriate	Prorate Salaries and Benefits as appropriate	Follow Procurement Procedures related to Bidding	Follow Procurement Procedures related to Bidding	Attach Travel Justification Statement to Source Documentation
Ensure Obligation Date Meets Requirements	Ensure Private Agencies are Approved through DESE	Only Purchase Supplies that are trackable and have an audit trail	Complete Time and Effort Documentation for IDEA PS paid Employees	Complete Time and Effort Documentation for IDEA CEIS paid Employees	Ensure Obligation Date Meets Requirements	Ensure Obligation Date Meets Requirements	
Ensure IDEA paid salary and benefits are deducted from Medicaid Roster	Check Debarment and Suspension List if applicable	"Share the Love" among multiple vendors, can't utilize just one prime vendor unless bid	Track Students receiving services with a 2100 placement code in MOSIS	Complete reporting requirements in ePeGS	Complete Equipment Inventory	Follow Uniform Accessibility/ADA Standards and Davis-Bacon Act for Laborers	

SPED SALARIES & BENEFITS

Special education salaries and benefits may be for teachers, paraprofessionals, ancillary/therapy service providers, special education director, process coordinator, etc.

If federal funds are expended for salaries & benefits, then must:

- Payroll records must indicate the project code “44100”
- Maintain time and effort documentation
<https://dese.mo.gov/financial-admin-services/general-federal-guidance>
- Code in MOSIS to special education course codes and program codes
- Meet Obligation timelines
- Ensure compliance with cash management and period of availability (summer payroll)

PURCHASED SERVICES

Special education contracted services may be for diagnostic testing, ancillary/therapy service providers, transportation, private agency tuition, public placement tuition, cooperative fees, etc.

If federal funds are expended for purchased services, then must:

- Follow procurement policy
- Maintain bid and other required documentation
- Check debarment and suspension site and maintain documentation of search results (if over \$25,000)
- Meet Obligation timelines
- Ensure private agencies are approved through DESE
- Track in the general ledger with an object code 63XX.

TRAVEL

Special education travel expenditures may be for lodging, airfare, travel, mileage, registrations, etc.

If federal funds are expended for travel, then must:

- Follow procurement policy
- Maintain bid and other required documentation
- Check debarment and suspension site and maintain documentation of search results (if over \$25,000)
- Meet Obligation timelines
- Ensure written travel policy with defined reimbursements (per diems, travel status, etc)
- Attach travel justification statement with source documentation

SUPPLIES

Supplies are any item with a cost of less than \$1,000 per unit.

If federal funds are expended for supplies, then must:

- Only purchase supplies with federal funds that can leave an “audit trail” or are trackable
- Distribute purchases among multiple vendors (“Share the Love”)
- Meet Obligation timelines

PROPORTIONATE SHARE

Proportionate share is the amount of IDEA Part B federal funds that must be spent to provide special education services to parentally placed private, parochial, and home schooled children with disabilities ages 5-21 who have been evaluated and determined eligible for special education services.

If district/LEA is required to use Federal funds for proportionate share, then must:

- Report private, parochial, and home schooled children in MOSIS with placement code of 2100.
- Prorate expenditures based on logs/time spent with private, parochial, and home schooled children.
- Maintain time and effort documentation.
- Track in general ledger by utilizing function code 1224 and/or 2557, source code 4, and project code 44100.

CEIS

Coordinating Early Intervening Services (CEIS) is the use of up to 15% of IDEA Part B federal funds on students who have not been identified as needing special education, but who are in need of additional academic or behavioral supports to succeed in the general education environment.

If federal funds are expended for CEIS, then must:

- Complete the CEIS report form in ePeGS.
- Prorate expenditures based on logs/time spent with CEIS students.
- Maintain time and effort documentation.
- Track in general ledger by utilizing function code 1223, source code 4, and project code 44100.

EQUIPMENT/TECHNOLOGY

Equipment is an article of non-expendable, tangible property having a useful life of more than one year and an acquisition cost of \$1,000 or more per unit.

If federal funds are expended for equipment, then must:

- Obtain prior approval through ePeGS.
- Maintain one MASTER inventory listing for equipment with all required components.
- Add equipment to the master inventory listing as it is purchased.
- Complete physical inventory at least every two years.
- Attach a physical label (not easily removable) to the equipment.
- Meet Obligation timelines
- Follow equipment disposition requirements.

CAPITAL OUTLAY

Capital Outlay is defined as construction, renovation, purchase of real estate, or purchase of vehicles.

If federal funds are expended for capital outlay, then must:

- Obtain prior approval through ePeGS.
- Comply with the following:
 - Uniform Federal Accessibility Standards
 - Americans with Disabilities Accessibility Guidelines
 - Davis-Bacon Wage Rate Provisions
 - Missouri Minimum Standards for School Buses (if applicable)
- Meet Obligation timelines
- Follow specific capital outlay disposition requirements.

SCHOOLWIDE POOL

The schoolwide pool program provides districts/LEAs more flexibility in serving students, by improving all structures that support student learning by combining all resources, as opposed to providing services to identified, individual students.

If federal funds are expended for schoolwide pool, then:

- Complete both IDEA and NCLB budget applications in ePeGS.
- Determine amount of funds to pool based on allowed amount.

PRORATING EXPENDITURES

IDEA Part B federal funds that are not directed 100% towards Special Education must be prorated.

PRORATING EXPENDITURES			
Spec Ed Students	÷ Total Population	× Total Cost	= Prorated Sped Cost
Spec Ed Teachers	÷ Total Teachers	× Total Cost	= Prorated Sped Cost
Spec Ed Classrooms	÷ Total Classrooms	× Total Cost	= Prorated Sped Cost
Sped Ed Square Feet	÷ Total Square Feet	× Total Cost	= Prorated Sped Cost
Spec Ed Caseload Minutes	÷ Total Caseload Minutes	× Total Cost	= Prorated Sped Cost

EXCEPTION TO PRORATING

Expenditures do not have to be prorated in cases where there is an incidental benefit to non-special education students. To determine incidental benefit, ask these questions:

- Is there any substantial additional cost from the participation of non-disabled students?
 - Yes→ no incidental benefit; must prorate expenditures
 - Example: Picking up non-disabled peers on established bus route
- Is the item used more by non-disabled students than disabled students?
 - Yes→ no incidental benefit; must prorate expenditures
 - Example: Supplemental reading program
- Is the item used more than 20% of the time by non-disabled students?
 - Yes→ no incidental benefit; must prorate expenditures
 - Example: Playground



DETERMINING HOW TO USE YOUR FUNDS

PROCESS FOR DETERMINING HOW TO SPEND FUNDS

- Determine what federal requirements have to be met to use federal funds for the expenditure
 - Obligation Date
 - Time and Effort vs. Bidding vs. Disposition Requirements
 - Multiple programs
- Ensure the expenditure isn't used as a match or expenditure source for another federal program
 - Claiming individual on Medicaid Roster
 - Match or Maintenance of Effort for Title
- Plan for the future
 - Retirements
 - Student Graduations
 - Unexpected expenditures that exceed bidding thresholds

PROCESS FOR DETERMINING HOW TO SPEND FUNDS

- Weigh the benefits/disadvantages
 - Paying teachers federal funds vs. paraprofessionals (Medicaid claiming)
- Determine the amount of coding involved
 - County Funds
 - Number of Locations
- Consider the time required to track the expenditure
 - Prior Year/Overlapping Fiscal Years
 - Annual physical inventory
- Ensure the expenditure is trackable and has a sufficient audit trail

AUDIT TRAIL

Only purchase items with federal funds that can leave a clear “audit trail” or are that are traceable or can be tracked.

Audit Trail Example Items:

- Salary and Benefits (Payroll)
- Equipment (Inventory)
- Professional Development (Certificates of Attendance)
- Purchased Services (Contract & Logs)
- Classroom Books

Non-Audit Trail Example Items:

- Reams of Paper
- General Supplies

UNALLOWABLE USE OF IDEA FEDERAL FUNDS

Local Tax Effort (LTE)/Billbacks - Code to 1911	Promotional Items (pens, bags, T-shirts, etc.)
Payments to State Schools (LTE) – Code to 1911	Income Generating Activities (i.e. life skills classroom bake sale)
Medicaid Billing Fees – Code to 2529	Principal/Administrative Salaries That Have Not Been Prorated
Recreational Field Trips	Alcoholic Beverages
Classroom Parties	Audit Costs
General Education Expenditures *(except for CEIS and incidental benefit)	Fines and Penalties
Petty Cash	Lobbying
Entertainment	Legal Fees Related To Child Compliant/Due Process
District-wide Training (unless it is geared specifically towards special education)	Materials & Supplies Deemed Unnecessary For Sped Program Requirements

ACTIVITY 8

ALLOWABLE USE OF FUNDS

Determine if IDEA Part B funds may be used for the expenditures listed on the activity sheet.

ALLOWABLE USE OF FUNDS ACTIVITY

ALLOWABLE USE OF FUNDS ACTIVITY

Determine if IDEA Part B federal funds should be utilized for the following expenses.

EXPENSE	YES	NO
Special Education Director	Yes	No
Special Education Teacher Claimed on Medicaid Roster	Yes	No
Speech Language Pathologist	Yes	No
Principal	Yes	No
Reading Coach/Intervention Specialist	Yes	No
ABA Therapist	Yes	No
Bookkeeper	Yes	No
Special Education Secretary	Yes	No
Liaison at Residential Facility	Yes	No
Spedtrack Renewal	Yes	No
Special Education Cooperative Membership Fee	Yes	No
MOCASE Membership Fee	Yes	No
National Association for Sped Directors Webinar Series	Yes	No
Dropout Prevention Conference	Yes	No
Restraint Training for all District/LEA Staff	Yes	No
Automatic ADA Doors	Yes	No
Security Cameras on Bus	Yes	No
Bus Barn Dispatcher	Yes	No
Special Education Bus Aide	Yes	No
Special Education Transportation Route	Yes	No
Car Seats for ECSE Students	Yes	No
New Stove for Lifeskills/SACS classroom	Yes	No
Cafeteria Tables	Yes	No
Paint for the Resource Room	Yes	No
Refrigerator for Special Education Director Office	Yes	No
Calendars for Classrooms	Yes	No
Reams of Paper/General Supplies	Yes	No
Special Services Director	Yes	No
Laptops for Special Education Teachers	Yes	No



ALLOWABLE USE OF FUNDS ACTIVITY - ANSWERS

ALLOWABLE USE OF FUNDS ACTIVITY

Determine if IDEA Part B federal funds should be utilized for the following expenses.

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Special Services Director	Yes	No
Laptops for Special Education Teachers	Yes	No



RESOURCES:

Fiscal Monitoring Guide

<https://dese.mo.gov/sites/default/files/sef-GeneralLedgerJournalEntryCorrectionForm.pdf>



RESOURCES:

Allowable Costs and Requirements Chart

<https://dese.mo.gov/sites/default/files/sef-IDEA-AllowableCostsRequirementsChart.pdf>

IDEA Requirements Quick Reference

<https://dese.mo.gov/sites/default/files/sef-PartB-Regulations.pdf>

Fiscal Monitoring Guide

<https://dese.mo.gov/sites/default/files/sef-GeneralLedgerJournalEntryCorrectionForm.pdf>

