SPECIAL EDUCATION CODING FAQ

EFFECTIVE DATE

What is the effective date of the accounting code structure change?
July 1, 2018.

FUND CODES

May LEAs use a different format (e.g. 2 digits instead of 3, or 01X instead of 10X) on the fund code?
Yes.

How does an LEA use the fund code to track different grant years within the same general ledger?
The third digit of the fund code may be used to identify the grant year of funds. For example, in the FY19 general ledger, the LEA may use 108 to show expenditures paid with FY18 federal funds, and 109 to show expenditures paid with FY19 federal funds. However, beginning in FY20, three project codes have been created to assist LEAs in tracking different grant years within the same general ledger so LEAs will not need to utilize the third digit of the fund code for grant year fund tracking. See the Project Code section for more information.

FUNCTION CODES

Should special education expenditures still be coded to special education function codes?
The project code will be used to track special education expenditures, so the LEA may utilize any function code for special education expenditures if the code is an appropriate place for special education funds to be spent.

Where can LEAs find a quick reference to frequently used function codes?
A list of frequently used function codes may be found at:

OBJECT CODES

Are there any changes to object codes?
No.
LOCATION CODES

Can LEAs use location codes in the general ledger where student level data is not reported? No.

Can LEAs use building codes that do match Core Data codes? No.

Does every special education expenditure need to have a location code? No, some expenditures will be prorated by DESE and do not require a location code. The LEA may use a blank location code, a 0000 location code, or choose a location code.

What happens if the minutes by building for an educator in Core Data don’t match how expenditures were prorated across buildings in the general ledger? Core Data does not have to match the general ledger by building.

Do LEAs report Extended School Year (ESY) costs under the location code where services are provided or to the location code where the student will attend in the upcoming school year? ESY costs should be coded to the building location code(s) where ESY attendance is reported.

SOURCE CODES

Are LEAs required to use a source code on every special education expenditure? Yes. The source code field may not be left blank or reported as a zero. LEAs must indicate if local (1), county (2), state (3), or federal (4) funds were used to pay for the expenditure.

PROJECT CODES

How does the LEA determine if a special education expenditure is for K-12 or Early Childhood Special Education (ECSE) in the general ledger? The Project Code used will show if the special education cost is K-12 or ECSE.

Does every special education expenditure need to have a project code? Yes. The project code field may not be left blank or reported as a zero.

How does the LEA identify if ECSE 611 and/or ECSE 619 funds are used for Kindergarten special education expenditures? Two new codes have been added in 2019-20 to help identify when ECSE funds are expended outside of the ECSE program. ECSE 611 funds may be spent on students with disabilities in grades K-12 when the LEA does not have an ECSE program. ECSE 619 funds may be spent on
students with disabilities who are 5 years old and in kindergarten. These codes have been
created to ensure expenditures for K-12 are not pulled into the ECSE Final Expenditure Report
(FER). The codes for these situations are:

44203 - IDEA 611 ECSE (utilized on K-12 students)
This project code should be utilized to identify ECSE 611 funds used for K-12 special education
expenditures to prevent these expenditures from being reported on the ECSE FER.

44204 - IDEA 619 ECSE (utilized on K students)
This project code should be utilized to identify ECSE 619 funds used for 5 year olds in
kindergarten to prevent these expenditures from being reported on the ECSE FER.

Are there project codes that may be used to track different grant years within the same general
ledger?
Yes. Three project codes have been created for 2019-20 reporting and beyond to help
identify prior year obligations paid in a current year general ledger. These codes should be
utilized when an expenditure will hit a prior year grant cycle but a current year general ledger.
The codes for these situations are:

44199 - Part B IDEA Prior Year
This project code should be utilized to identify prior year IDEA Part B 611 grant funds used for
K-12 public and private special education expenditures posted in a current year general
ledger.

44299 - IDEA 611 ECSE Prior Year
This project code should be utilized to identify prior year ECSE 611 grant funds used for ECSE
expenditures posted in a current year general ledger.

44298 - IDEA 619 ECSE Prior Year
This code should be utilized to identify prior year ECSE 619 grant funds used for ECSE
expenditures posted in a current year general ledger.

**PRORATING EXPENDITURES**

What does DESE mean when they indicate expenditures for certain function codes will be
prorated by DESE?
DESE will prorate certain expenditures among all buildings once the ASBR is submitted. A
list of revenue and function codes required at a building level can be found at
Can LEAs use enrollment from the previous school year or the start of current school for the year for allocating building expenditures? Is there a particular day LEAs must use to count building enrollment for allocating building expenditures?
The LEA may decide how to prorate the costs. The count that is used to determine building enrollment for allocating building expenditures is the LEA’s decision. Prior year or current year student enrollment counts may be used.

Should therapy costs be prorated by building served or by enrollment for each school building?
The LEA may decide how to prorate the costs.

If a LEA has multiple SLP’s and OT’s and they are assigned to a specific building, does the LEA allocate the costs to the building they are assigned to or allocate the cost to all buildings?
The LEA may decide how to prorate the costs.

If the Special Education Director’s salary and benefits are prorated for each building, is it based on the special education counts only or is for the entire building count?
The Special Education Director’s salary and benefits are coded to function code 2329, DESE will prorate the costs at a building level. The LEA may decide how to prorate the costs for LEA purposes, use zeros as the location code, leave blank, or choose to utilize a location code.

**STAFF POSITIONS**

How are contracted therapists and LEA employed therapists coded?
Function codes for therapy costs for students with disabilities (2152 for SLP, 2162 for OT, 2172 for PT) will be used.

Are different codes used for contracted and LEA employed staff?
The same function code should be used for therapy personnel, regardless of whether the individual is contracted or a LEA employed staff. The object code used will specify if it is an LEA employee salary/benefit (6100) cost or purchased service (6300) cost. The project code used will specify that the cost is a special education cost.

What function code should be used for contracted behavior therapist?
Behavior therapists, orientation and mobility specialists, educational diagnosticians, and case management services should be coded to function code 2191 Other Support Services - Students.
How does the LEA code a special education teacher that also serves as the special education director or process coordinator?
The employee’s salary and benefit amount will be split between instruction and administration. Utilize function code 1221 for the portion of salary that is applicable to instruction. For the portion of salary that is applicable to serving as the director and process coordinator, use function code 2329.

What function code should be used to code a K-12 special education teacher’s substitute?
Function code 1221 should be used to code costs for a K-12 special education teacher’s substitute.

HIGH NEED FUND (HNF)

What project code is used for special education expenditures paid with high need fund revenue?
If HNF Federal funds are used to pay for a special education cost, project code 43703 is used. If the special education cost for a high need student is paid with state or local funds (regardless if the revenue is HNF state revenue or another type of non-federal revenue), project code 12210 is used.

How does an LEA know if they are utilizing federal or local funds since the reimbursement for HNF is based on prior year expenditures?
LEAs submitting an application for HNF reimbursement for prior year costs will receive reimbursement in the current year. LEAs should choose a special education expenditure in the current year paid with state, local, or county funds and recode that cost as paid with HNF Federal funds by the day the Federal funds are received. The HNF Federal revenue may be used to pay for any allowable special education cost. The cost does not have to be for a high need student, teacher, etc. The HNF federal revenue simply must go back into the special education program.

How are non-allowable/non-reimbursable ECSE costs coded?
ECSE costs that the LEA incurs that are not reimbursable through ECSE funding should be coded with project code 12210 (and not 12810). This will allow the cost to be included in Maintenance of Effort (MOE), but will keep the cost from pulling into the ECSE FER.

What function code is used for case management for ECSE?
ECSE case management should be coded with function code 2191.

How should Early Childhood Special Education OT, PT, vision, and director services be coded?
ECSE OT will be coded to 2162. ECSE PT will be coded to 2172. ECSE VI services will be coded to 2182. ECSE director costs will be coded to 2329. The project code used will specify that it is
an ECSE expenditure paid with Federal 619 (44201), Federal 611 (44200), or state, local, or county (12810).

If the same function codes are used for K-12 special education and ECSE costs, how are the costs differentiated between K-12 and ECSE?
The project codes used will show if the special education cost is a K-12 (12210) special education or ECSE (12810) cost.

What building location code is used to report ECSE costs?
Report the costs to the location code of the building(s) where services are provided.

**MAINTENANCE OF EFFORT (MOE)**

If the SLP, OT and PT costs were coded to function code 1221 in 2017-18 general ledger and prior, when the LEA changes those codes is that going to impact the LEA’s MOE totals?
No, the function codes used to report special education state, local, and county costs in 2018-19 will not impact MOE. MOE amounts for current year (total and per child amounts) are compared to last year met MOE amounts (total and per child) which will be determined in 2018-19 and beyond by project codes expenditures. It is not based on or compared on a function code expenditure basis.

**PROPORTIONATE SHARE**

For Proportionate Share expenses, can the LEA break those out using the grade level of the students being served?
DESE encourages LEAs to spread the cost out over the buildings where services would be provided. However, it is up to the LEA to determine the method to use to assign proportionate share costs to LEA building(s).

How should Proportionate Share expenditures be tracked in the general ledger?
Expenditures for Proportionate Share services must be coded to function code 1224 in the general ledger. Expenditures for Proportionate Share transportation must be coded to function code 2557 in the general ledger. Source code 4, project code 44100 must be utilized to track proportionate share expenditures paid with IDEA Part B 611 funds. A project code of 12210 must be utilized to track proportionate share expenditures paid with state, local, or county revenue.
How should Coordinated Early Intervening Services (CEIS) expenditures be tracked in the general ledger?
Expenditures for CEIS paid with IDEA Part B funds must be coded to function code 1223, source code 4, and project code 44100.

MOSIS

What happens if the minutes by building for an educator in Core Data don’t match how expenditures were prorated across buildings in the general ledger?
Core Data does not have to match the general ledger by building.

COOPERATIVES/TUITION

How are expenditures for special education students that are placed outside the LEA identified?
The expenditures will be identified with special education tuition function code 1931, 1932, or 1933 as appropriate, and based on the project code.

How should K-12 Special Education Cooperative member LEAs code membership fees?
K-12 special education cooperative membership fees paid by member LEAs should be coded to function code 1931. The appropriate source and project codes should be used to identify the funding source that was used to pay for the membership fee. Service costs for therapy provided by the fiscal agent should also be coded to function code 1931, if billed separately from the membership fee.

How should K-12 Special Education Cooperative fiscal agents code cooperative costs?
K-12 special education fiscal agents for cooperatives will report cooperative costs using the appropriate function code and a location code where the services occur. Fiscal agents will use the project code 12000 to specify that the cost is a cooperative cost that was paid with member LEA revenue. Cooperative costs coded by the fiscal agent with project code 12000 will NOT be included in the fiscal agent’s MOE. Cooperative costs paid by the fiscal agent will be coded with project code 12210 if state, local, or county funds are used and project code 44100 if IDEA Part B funds are used. All special education LEA costs for the fiscal agent that are NOT cooperative costs will be coded to project code 12210 if state, local, or county funds are used and project code 44100 if IDEA Part B funds are used. Fiscal agent special education and cooperative costs coded with project code 12210 will be included in the fiscal agent’s MOE.
What location code should K-12 Special Education Cooperative fiscal agents use to report cooperative costs for students from other LEAs who attend the Cooperative?
The location code of the building used to report K-12 special education cooperative costs is based on where special education cooperative services are provided.

What revenue code should Special Education Cooperative fiscal agents use to code member LEA revenue?
K-12 special education cooperative fiscal agents receiving funds from member LEAs should code the revenue received to revenue code is 5811.

**ePeGS CHANGES**

Will ePeGS have changes in related to the new code structure?
Yes. Beginning with the 2018-19 Special Education Part B Final Expenditure Report (FER), special education expenditure amounts will pull from the ASBR onto the FER Grid (federal project codes 44100, 44200, and 44201) and MOE Grids (non-federal project codes 12210 and 12810). In addition, beginning with the 2018-19 ECSE FER, ECSE expenditure amounts will pull from the ASBR onto the ECSE FER Grid (federal project codes 44200 and 44201 and non-federal project code 12810).

**MONITORING**

Will special education expenditures be monitored on a building level basis?
No.

Will Special Education Finance be changing any monitoring procedures based on the new coding structure?
Yes, Special Education Finance will be monitoring current year expenditures as opposed to prior year expenditures.