

SPECIAL EDUCATION FISCAL MONITORING GUIDE

Fiscal Year 2017

Division of Financial and Administrative Services
Special Education Finance

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INTRODUCTION

The Special Education Fiscal Monitoring Guide has been developed by the Special Education Finance Section in order to provide fiscal accountability standards for the expenditures paid with the Individuals with Disabilities Education Act (IDEA) Part B federal funds. Districts/LEAs should utilize the guide to determine compliance with fiscal requirements as well as a technical assistance tool to prepare for fiscal monitoring. The guide also incorporates federal requirements from Uniform Grant Guidance (UGG), Education Department General Administrative Regulations (EDGAR), and the Missouri State Plan.

This guide contains an overview of the risk assessment and fiscal monitoring process (commonly referred to as the Tiered Monitoring process). Both processes are utilized to ensure adequate monitoring of all districts/LEAs. This guide identifies each fiscal area that will be reviewed, the related requirements, questions pertinent to the review, supporting documentation needed to determine compliance, and the required action for any identified non-compliance.

- Funding and Coding
- Cash Management
- Obligation of Funds
- Period of Availability
- Allowable Use of Funds
- Internal Controls
- Procurement
- Time and Effort
- Equipment
- Capital Outlay
- Proportionate Share
- Early Childhood Special Education (ECSE)
- Coordinated Early Intervening Services (CEIS)
- Maintenance of Effort (MOE)

Each fiscal area is described in further detail throughout this guide, along with the tiered monitoring process.

The Department of Elementary and Secondary Education (DESE) implemented the tiered monitoring process in an effort to fulfill both state and federal monitoring requirements. All federal programs within DESE are part of the monitoring process. The objectives of the tiered monitoring process include:

- Reduce the time spent in districts/LEAs conducting on-site monitoring reviews
- Improve quality and efficiency of on-site reviews
- Increase the number of districts/LEAs given formal review
- Improve the quality of district/LEA building compliance
- Establish processes to target technical assistance and training needs

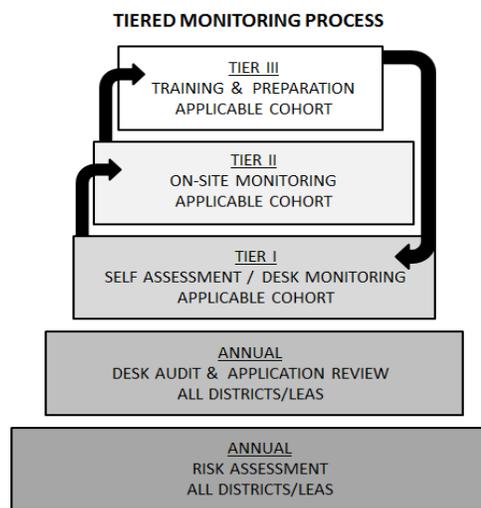
TIERED MONITORING CYCLE

The Special Education Finance Section will utilize the tiered monitoring process to review districts/LEAs for fiscal compliance of IDEA Part B federal funds. An annual risk assessment is performed that assigns each district/LEA into a high, moderate, or low risk category. Based on the results of the risk assessment, districts/LEAs are subject to further monitoring within the Tiered Monitoring Cycle.

Districts/LEAs have been sorted into three Cohorts for the tiered monitoring process. Each Cohort cycles through multiple tiers/levels of monitoring. Regardless of the outcome of the risk assessment, districts/LEAs will continue to follow the Tiered Monitoring Cycle.

District/LEA Cohort assignment may be found on-line at:

<http://dese.mo.gov/financial-admin-services/special-education-finance/fiscal-monitoring>.



ANNUAL RISK ASSESSMENT

A risk assessment is performed on an annual basis for all districts/LEAs to comply with the Uniform Grant Guidance (UGG), regardless of cohort assignment. The following Risk Indicators may be utilized in assessing district/LEA risk levels. Each indicator is given a point value to determine overall district/LEA risk.

RISK INDICATOR	POINTS
Audit Findings	5
Prior Monitoring Findings	5
Late Budget Application	5
Late Final Expenditure Report	5
Overpayments/Refunds	5
Carryover Amounts	1-5
Financial Distress	5
Indications of Fraud, Abuse, or Concern (i.e. Cash Management Plan)	5

Based upon the results of the annual risk assessment, all districts/LEAs are categorized as high, moderate, or low risk and are subject to further monitoring as indicated below. The results of the annual risk assessment are available upon written request.

HIGH RISK DISTRICTS/LEAS:

Districts/LEAs scoring 18 points and above, regardless of Cohort, will receive a Special Education Finance on-site visit unless:

- The district/LEA attended a Special Education Fiscal Training in the prior fiscal year.
- The district/LEA received a Special Education Finance on-site visit within the prior two fiscal years.
- The district/LEA received a Special Education Finance phone monitoring within the prior fiscal year.
- The district/LEA received Special Education Finance Targeted Technical Assistance within the prior fiscal year.

MODERATE RISK DISTRICTS/LEAS:

Districts/LEAs scoring between 15 and 17 points, regardless of Cohort, will be encouraged to attend Special Education Finance Regional Trainings. However, if the district/LEA is determined high risk during the Cohort Assessment, a Special Education Finance on-site visit will be performed.

LOW RISK DISTRICTS/LEAS:

Districts/LEAs scoring below 15 points, regardless of Cohort, will have no action. However, if the district/LEA is determined high risk during the Cohort Assessment, a Special Education Finance on-site visit will be performed.

TIERED MONITORING PROCESS

DESK AUDIT AND APPLICATION REVIEW PROCESS

All districts/LEAs, regardless of which Cohort the district/LEA is assigned to, will go through the Desk Audit and Application Review level of monitoring each fiscal year. For Special Education Finance, this includes review of the following data/documentation by DESE for all districts/LEAs:

- ePeGS IDEA Part B Budget Application

- ePeGS IDEA Part B Budget Application Revisions
- ePeGS IDEA Part B Payment Requests
- ePeGS IDEA Part B Final Expenditure Report (FER)
- ePeGS IDEA Part B Final Expenditure Report (FER) Revisions
- ePeGS ECSE Final Expenditure Report (FER)
- ePeGS ECSE Final Expenditure Report (FER) Revisions
- ePeGS Proportionate Share Carryover Release Requests
- Cash Management Plans
- Audit Findings for IDEA Part B

TIER I: SELF-ASSESSMENT/DESK MONITORING

Only the applicable Cohort for the fiscal year completes the Self-Assessment/Desk Monitoring level. This level of monitoring is completed through the web-based Tiered Monitoring System. The Self-Assessment/Desk Monitoring level serves as a tool for districts/LEAs to determine where the district/LEA stands in regard to compliance with IDEA Part B federal regulations; identify any deficiencies; and subsequently implement procedural changes to correct deficiencies.

Districts/LEAs must obtain access to the system through the DESE Web Applications User Manager portal. On the Self-Assessment, districts/LEAs are asked to answer a series of questions based on Yes/No or N/A responses and provide comments where required. Districts/LEAs have a specified timeframe to complete and submit the Self-Assessment. The Special Education Finance Staff performs the Desk Monitoring portion in which the responses to the Self-Assessment are reviewed for accuracy and compliance. If there are any questionable, incomplete, or incorrect responses, the district/LEA may be asked to provide additional information and/or upload specific documentation into the Tiered Monitoring System for further review.

After review, a report is generated within the Tiered Monitoring System. The report indicates if the district/LEA is in compliance or lists any deficiencies through a Corrective Action Plan (CAP). The district/LEA must enter a response within the required due date to any issued CAP(s) by indicating how the district/LEA will correct deficiencies and/or implement procedural changes in the “LEA Response” field, provide additional information if requested, and/or upload any required supporting documentation.

In the event there are any unresolved CAP(s), further actions may be taken, including:

- Specific award conditions/restrictions
- Cash Management Plan assignment
- Withholding of IDEA Part B federal payments

TIER II: ON-SITE MONITORING

The districts/LEAs determined to be highest risk within the applicable Cohort for the fiscal year are selected for Special Education Finance On-Site Monitoring. Special Education Finance completes an initial Cohort Risk Assessment for the districts/LEAs within the applicable Cohort. The following Risk Indicators may be utilized in assessing district/LEA risk levels within the applicable Cohort. Each indicator is given a point value to determine overall district/LEA risk.

RISK INDICATOR	POINTS
Audit Findings	5
Prior Monitoring Findings	5
Late Budget Application	5
Late Final Expenditure Report	5
Overpayments/Refunds	5
Carryover Amounts	1-5
Financial Distress	5
Indications of Fraud, Abuse, or Concern (i.e. Cash Management Plan assignment, Award Restrictions, Watch list)	5

Special Education Finance will compile data for the applicable Cohort and rank districts/LEA from highest scoring to lowest scoring. The top 20-25 districts/LEAs with the highest scores will receive a Special Education Finance on-site visit unless:

- The district/LEA attended a Special Education Fiscal Training in the prior fiscal year.
- The district/LEA received a Special Education Finance on-site visit within the prior two fiscal years.
- The district/LEA received a Special Education Finance phone monitoring within the prior fiscal year.
- The district/LEA received Special Education Finance Targeted Technical Assistance within the prior fiscal year.

In the event that multiple districts/LEAs have the same score and this exceeds the 25 district/LEA on-site visit threshold, districts/LEAs with points in the following areas will be given priority:

- Audit Findings
- OSE and DESE Watch List
- Self-Assessment Red Flags

The results of the onsite risk assessment are available upon written request. Special Education Finance on-site visits are coordinated with other federal programs when possible, or within a close timeframe of other federal programs.

In order to expedite the review process, districts/LEAs are required to upload the following documentation into the Global Repository within the Tiered Monitoring System prior to the

on-site review. Instructions for uploading documentation can be found in Appendix C at the back of this guide.

- General Ledger Chart of Accounts/Legend
- Complete Prior Fiscal Year General Ledger for the following:
 - Special Education and Related Services (function 1221)
 - Coordinated Early Intervening Services (function 1223)
 - Proportionate Share (function 1224, 2557)
 - Early Childhood Special Education (function 1281)
 - Special Education Tuition (function 1931, 1932, and 1933)
 - Professional Development (function 2214)
 - Special Education Transportation (function 2553, 2554)
 - ECSE Transportation (function 2559)
 - Any additional function codes containing Special Education expenditures
- Prior Year General Ledger by month for the expenditures described above
- Maintenance of Effort (MOE) Documentation (if other than the General Ledger)
- List of Special Education Staff paid with
 - IDEA Part B federal funds
 - ECSE federal funds
 - HNF federal funds
- Time and Effort Documentation
- Proportionate Share Student Roster
- Cash Management Procedure
- Allowability Procedure
- Travel Policy
- Procurement Procedure
- Standards of Conduct Procedure

Districts/LEAs are not required to complete any questions in the Tiered Monitoring System for on-site monitoring. Special Education Finance Staff is responsible for completing the applicable fiscal questions during the on-site visit.

A report is then generated within the Tiered Monitoring System. The report indicates if the district/LEA is in compliance or identifies any deficiencies through a Corrective Action Plan (CAP). The district/LEA must correct deficiencies within the required time frame, implement procedural changes if applicable, and evaluate those changes the following fiscal year.

In the event there are any unresolved CAP(s), further actions may be taken, including:

- Specific award conditions/restrictions
- Cash Management Plan assignment
- Withholding of IDEA Part B federal payments

This tier also allows districts/LEAs with a Self-Assessment CAP from the previous year to receive follow-up technical assistance from Special Education Finance Staff in order to implement and evaluate recommended procedural changes.

TIER III: TRAINING AND PREPARATION

The Training and Preparation level gives districts/LEAs an opportunity to attend regional trainings on fiscal compliance; review district/LEA policies, procedures, and practices; and to become familiar with the Special Education Fiscal Monitoring Guide to ensure fiscal compliance. In addition, this level allows districts/LEAs additional time to implement and assess any changes resulting from the Special Education Finance on-site visit in the previous school year.

NOTE: Districts/LEAs are not able to input data into the Tiered Monitoring System until the district/LEA is at the Self-Assessment/Desk Monitoring or On-Site Visit CAP level.

TIERED MONITORING SCHEDULE

The diagram below specifies the monitoring schedule for each Cohort by school year. As each year is completed, the Cohort moves to the next tier in the cycle. For Special Education Finance reviews, the documentation from the previous school year will be reviewed for Tier I and Tier II of the process. For example, if the district/LEA is selected for an On-Site Monitoring review in 2016-17, the review will cover the 2015-16 school year data/documentation.

TIER LEVEL	2016-17	2017-18	2018-19	2019-20
Annual Risk Assessment	All Cohorts	All Cohorts	All Cohorts	All Cohorts
Desk Audit and Application Review	All Cohorts	All Cohorts	All Cohorts	All Cohorts
Tier I: Self-Assessment/Desk Monitoring	Cohort 3	Cohort 1	Cohort 2	Cohort 3
Tier II: On-Site Monitoring	Cohort 2	Cohort 3	Cohort 1	Cohort 2
Tier III: Training and Preparation	Cohort 1	Cohort 2	Cohort 3	Cohort 1

FUNDING SOURCES

OVERVIEW

It is important to understand the funding sources of the special education program and how those sources relate to expenditures in order to fully comprehend the concepts described in this guide. The special education program is operated from three basic funding sources: federal grant revenue, state revenue, and/or local revenue. While most of this guide focuses on the requirements of federal revenue, state and/or local revenue play a big role in meeting federal requirements as well. State and/or local revenue spent on the special education program must be maintained from year to year as part of the Maintenance of Effort (MOE) requirement described later in this guide.

REVENUE SOURCES

Revenue sources may be distinguished through revenue codes. The special education program may be funded with three types of revenue sources: federal revenue, state revenue, or local revenue.

❖ FEDERAL REVENUE

Districts/LEAs may fund the special education program with some or all of the federal revenue listed below in the chart. All federal revenue is paid under a revenue code starting with 54. In addition, federal revenue can further be identified if a Catalog of Federal Domestic Assistance (CFDA) number is present on the monthly payment transmittal. A CFDA number is a five digit number assigned to grants that are funded by the Federal government. When utilizing federal revenue to fund the special education program, the district/LEA must track each federal revenue source separately in the general ledger with a unique project/source code.

For example, if a district/LEA utilizes Special Education Part B Entitlement, federal Early Childhood Special Education revenue (ECSE Federal 611 and 619 revenue), and federal High Need Fund (HNF) revenue to fund the special education program, any expenditure paid with these revenue sources must be tracked in the general ledger with separate project/source codes (i.e. "41" Part B, "42" ECSE, "37" HNF).

SPECIAL EDUCATION FEDERAL REVENUE CODES			
DESCRIPTION	FUNDING SOURCE	REVENUE CODE	CFDA NUMBER
Special Education Part B Entitlement	Federal	5441	84.027A
Early Childhood Special Education	Federal	5442	84.027A
High Need Fund	Federal	5437	84.027A
Assistive Technology Reimbursement	Federal	5437	84.027A
State-Wide Collaborative Work Initiative	Federal	5437	84.027A
Non-IDEA Special Education Grants	Federal	5438	Varies

❖ STATE REVENUE

Districts/LEAs may fund the special education program with any type of state revenue. All state revenue is paid under a revenue code starting with 53. There are only three state revenue sources dedicated specifically to special education as shown in the list below. However, districts/LEAs may utilize any source of state revenue to fund the special education program. Most state revenue comes in the form of basic state aid; the district/LEA may determine what amount and what source of state revenue is put towards the special education program. Regardless of which state revenue sources are utilized to fund the special education program, all state revenues sources are combined and must be tracked in the general ledger with only one unique project/source code.

For example, if a district/LEA utilizes state Early Childhood Special Education revenue, Basic State Aid revenue, and state Transportation Aid revenue to fund the special education program, any expenditure paid with these revenue sources must be tracked in the general ledger with only one project/source code (i.e. "03").

SPECIAL EDUCATION STATE REVENUE CODES			
DESCRIPTION	FUNDING SOURCE	REVENUE CODE	CFDA NUMBER
Early Childhood Special Education	State	5314	N/A
Public Placement Fund	State	5369	N/A
High Need Fund	State	5381	N/A

❖ LOCAL REVENUE

Districts/LEAs may fund the special education program with any type of local revenue. All local revenue is paid under revenue codes starting with 51, 52 or 58. There are no local revenue codes dedicated specifically to special education. Most local revenue comes in the form of proposition C; the district/LEA may determine what amount and what source of local revenue is put towards the special education program. Regardless of which local revenue sources are utilized to fund the special education program, all local revenue sources are combined and must be tracked in the general ledger with only one unique project/source code.

For example, if a district/LEA utilizes local tax revenue, payments from other districts/LEAs, and proposition C revenue to fund the special education program, any expenditure paid with these revenue sources must be tracked in the general ledger with only one project/source code (i.e. "01").

PAYMENT TRANSMITTALS

Monthly Payment Transmittals are available to notify districts/LEAs of payments received from DESE. Payment Transmittals are usually accessible by the twenty-third (23rd) of each month. Districts/LEAs should review the Monthly Payment Transmittal as it is posted to determine if any further action is required on the part of the district/LEA as described in the Cash Management Section of this guide. The district/LEA can view the Payment Transmittal by completing the following steps:

- Go to the DESE Web Applications page
- Click on the View Public Applications button
- Click on the School Finance link
- Enter the district/LEA County District Code (CDC)
- Select the district/LEA
- Click on the Payment Transmittal link
- Select the applicable year
- Select the applicable month
- Click on the deposit amount link to view payment details

GENERAL LEDGER BASICS

OVERVIEW

The district/LEA must track all special education program expenditures in the general ledger by utilizing function, object, program/building, and project/source codes as indicated in the Missouri Accounting Manual.

The following sections will assist districts/LEAs with coding special education program expenditures in the general ledger.

GENERAL LEDGER BASICS

A general ledger should be detailed enough that an outside individual not familiar with the district/LEA could easily:

- Identify the fund the expenditure is from (Teachers Fund, Incidental Fund, etc.)
- Identify the program the expenditure is from (Special Education, Title, General Education, etc.)
- Identify the type of expenditure (salaries, benefits, purchased service, etc.)
- Identify the funding source of all expenditures (IDEA Part B federal funds, state revenue, local revenue, etc.)
- Identify the funding source year if applicable (FY15, FY16, FY17 funds, etc.)
- Determine the allowability of the expenditure based on the account descriptor

The above bulleted items can be accomplished if the district/LEA follows the account coding as indicated in the Missouri Accounting Manual. The Missouri Accounting Manual may be found at: <http://dese.mo.gov/financial-admin-services/school-finance/mo-financial-accounting-manual>.

ACCOUNTING CODE STRUCTURE

The Missouri Accounting Code structure consists of 5 components, including the fund code, function code, object code, program/building code, and project/source code, as shown in the table below. While program and/or building codes are optional, it is to the benefit of the district/LEA to create these codes for tracking purposes.

FUND	FUNCTION	OBJECT	PROGRAM/ BUILDING	PROJECT/ SOURCE
11	1221	6100	333	41

The **FUND CODE** indicates the type of fund. The two main fund categories are the General (Incidental) Fund and the Special Revenue (Teachers) Fund. Additional information regarding fund codes can be found in the Missouri Accounting Manual.

The **FUNCTION CODE** identifies the program. The function code ties the expenditure to a specific program. The following table contains a list of function codes that are specific to the special education program. Districts/LEAs are required to use these function codes for all direct special education expenditures.

SPECIAL EDUCATION FUNCTION CODE DESCRIPTION	FUNCTION CODE
Special Education and Related Services	1221
Coordinated Early Intervening Services	1223
Proportionate Share Services	1224
Tuition for Special Education Services to Other Districts Within the State	1931
Tuition for Special Education Services to Other Districts Outside of the State	1932
Tuition for Special Education Services to Private Agencies	1933
Contracted Transportation Services for Students with Disabilities	2553
District Operated Transportation Services for Students with Disabilities	2554
Proportionate Share (IDEA) Transportation Cost	2557
ECSE Transportation Services	2559
All other ECSE Services	1281

The following table lists function codes that are not specifically for special education, but are areas where special education expenditures may occur due to state statutes (i.e. professional development spending requirements) or other program rules (transportation reporting for state aid). If these function codes are utilized for special education program expenditures, the district/LEA may choose to utilize a program/building code and project/source code to tie the expenditure to the special education program. However, if the district/LEA utilizes a program/building code, the district/LEA must also utilize a project/source code to identify the funding source of the expenditure. Program/building codes and project/source codes are further explained below.

FUNCTION CODE DESCRIPTION	FUNCTION CODE
Professional Development (not special education specific)	2200
Transportation & Maintenance (not special education specific)	2500
Facility Acquisition & Construction (not special education specific)	4000

The **PROGRAM/BUILDING CODE** ties the expenditure back to a program when the function code is not specific to a program. For example, if a district/LEA codes professional development expenditures to function code 2214, which is not specific to the special education program, the district/LEA would utilize a program code to tie the expenditure back to the special education program.

The **OBJECT CODE** identifies the service or commodity obtained and is based on how a particular expenditure is paid out or is planned to be paid out. The following is a list of object codes. These object codes are not specific to special education.

OBJECT CODE DESCRIPTION	OBJECT CODE
Certificated Salaries	6100
Non-Certificated Salaries	6150
Employee Benefits	6200
Purchased Services	6300
Materials and Supplies	6400
Capital Outlay (including equipment)	6500

The **ACCOUNT DESCRIPTOR** identifies what the expenditure is for. Each account descriptor should be specific enough to determine both the purpose of the expenditure and if the expenditure is an allowable use of funds. For example, the use of an account descriptor such as of “ABC Speech Therapy Services” is preferred as opposed to “Purchased Services.”

The **PROJECT/SOURCE CODE** identifies the funding source of the expenditure. All special education program expenditures must be tracked with a federal, state, or local project/source code.

Tracking special education program expenditures by function codes only is not sufficient. Districts/LEAs must utilize a project/source code to identify all expenditures paid with IDEA Part B federal funds, other federal revenue, state revenue, and local revenue even though this may require creating separate lines for the same expenditure to account for each funding source within the general ledger.

TRACKING EXPENDITURES

OVERVIEW

Expenditures paid with IDEA Part B federal funds must be tracked separately in the general ledger from expenditures paid with all other funding sources, including special education expenditures paid with state revenue, local revenue, and other federal program revenue.

By tracking all special education program expenditures separately, the district/LEA will be able to accurately complete time certifications, track equipment, ensure Cash Management compliance, compute payment requests and FER amounts, and calculate Maintenance of Effort (MOE).

IDENTIFYING EXPENDITURES BY FUNDING SOURCE

All special education program expenditures **MUST** be tracked by funding source. The district/LEA must identify if the expenditure was paid by either state, local, or federal revenue. This is done by utilizing a designated project/source code for each funding source.

It is not sufficient to try to track special education expenditures with function and object codes only. Nor is it sufficient to track special education expenditures with only an account descriptor, such as "IDEA Part B", since this can cause report query issues. The district/LEA must go one step further in order to identify special education expenditures by using a project/source code attached to the end of the accounting structure. By coding to 1221-6100 only, a district/LEA is not able to determine if the expenditure was paid with IDEA Part B federal funds or with state and/or local revenue. A project/source code is the only means for determining which funding source (federal, state, or local) paid the expenditure.

The district/LEA must have a separate project/source code for each federal revenue source (i.e. IDEA Part B federal, ECSE federal, High Need Fund (HNF) federal, Assistive Technology federal, etc.). However, the district/LEA should only utilize one specific project/source code for all state revenue sources and only one specific project/source code for all local revenue sources.

The numbers used for project/source codes may be selected at the discretion of the district/LEA; however it is recommended that the district/LEA use the last two digits of the revenue code for federal revenue (i.e. “41”, “42”, “37”, etc.). In the event that the district/LEA receives multiple federal revenue sources under the same revenue code, the district/LEA must create an additional project/source code other than the last two digits of the revenue code to ensure the federal revenue sources can be identified individually. In the table below, HNF federal and Assistive Technology federal have the same revenue code; therefore the district/LEA cannot utilize a “37” project/source code for both revenue sources.

FEDERAL REVENUE SOURCES	REVENUE CODE	PROJECT/SOURCE
IDEA PART B FEDERAL	5441	41
ECSE FEDERAL (611 and 619 funds)	5442	42
HNF FEDERAL	5437	37
ASSISTIVE TECHNOLOGY FEDERAL	5437	30

State project/source codes may also be chosen at the discretion of the district/LEA. All special education program (ECSE and K-12) expenditures paid with any state revenue source should be tracked with only one project/source code. Tracking expenditures paid with state revenue with a “blank” or “00” is not sufficient since this can cause report query issues. The table below illustrates utilizing a project/source code for tracking expenditures paid with state revenue.

STATE REVENUE SOURCES	REVENUE CODE	PROJECT/SOURCE
BASIC STATE AID	5311	03
ECSE STATE	5314	03
HNF STATE	5381	03
TRANSPORTATION STATE AID	5312	03

Local project/source codes may also be chosen at the discretion of the district/LEA. All special education program (ECSE and K-12) expenditures paid with any local revenue source should be tracked with only one project/source code. Tracking expenditures paid with local revenue with a “blank” or “00” is not sufficient since this can cause report query issues. The table below illustrates utilizing a project/source code for tracking expenditures paid with local revenue.

LOCAL REVENUE SOURCES	REVENUE CODE	PROJECT/SOURCE
PROPOSITION C	5113	01

TUITION FROM OTHER LEAs	5811	01
CITY SALES TAX	5117	01
COUNTY UTILITY TAX	5221	01

By tracking all special education program expenditures separately, the district/LEA will be able to accurately complete time certifications, track equipment, ensure Cash Management compliance, compute payment requests and FER amounts, and calculate Maintenance of Effort (MOE).

IDENTIFICATION OF AWARDS

OVERVIEW

In accordance with the Uniform Grant Guidance (UGG) requirements, the district/LEA must be able to identify all federal grant awards within the accounting system. Since not all accounting systems are built to accommodate the required identification components, DESE has created a form which districts/LEAs may utilize to meet the UGG requirements.

IDENTIFICATION REQUIREMENTS

The UGG requires the following components to be identified in the accounting system for all federal grant awards.

- Federal Award Identification Number (FAIN)
- CFDA Title and Number
- Fiscal Year of Award
- Name of the Federal Awarding Agency
- Name of the Pass-Through Entity
- Accounting Code Used to Identify Grant Expenditures

A link to the Federal Award Identification spreadsheet created by DESE may be found at: <http://dese.mo.gov/financial-admin-services/general-federal-guidance> and is also included at the end of this section.

CASH MANAGEMENT

OVERVIEW

Cash management is the process of requesting and receiving funds from the federal government, and then disbursing those funds to employees, vendors, and other payees. Cash management is governed by the Cash Management Improvement Act (CMIA) and the Uniform Grant Guidance (UGG).

In accordance with CMIA, all payment requests must be on a reimbursement basis. This means, districts/LEAs must have already expended funds prior to requesting/receiving federal revenue. In order to be in compliance with CMIA requirements, an action must be taken in the general ledger to tie federal revenue to a specific expenditure; this is done by utilizing a project/source code.

This rule applies to all special education federal revenue including IDEA Part B federal funds, ECSE federal funds, High Need Fund (HNF) federal funds, and all other federal special education grants. Districts/LEAs have two options to tie federal revenue to a specific expenditure:

- Code In Advance
- Journal Entry Correction

In addition, the district/LEA must have a written Cash Management procedure that addresses this process.

CODING FEDERAL FUNDS

The district/LEA must adopt the following options to tie the federal revenue to expenditures in the general ledger in order to adhere with CMIA requirements.

❖ **CODE IN ADVANCE:**

For IDEA Part B federal funds, the district/LEA should code the expenditure as a federal special education expense upfront in the general ledger by using a project/source code. The district/LEA will then submit a payment request for the expenditure. Once the district/LEA receives the payment of federal funds, no further action is needed since the expenditure has already been coded in advance as a federal special education expense.

An example of the Code In Advance option is shown below.

Step 1:

Incur Expenditure and code to a Federal Special Education Account ("41") in the General Ledger

1221-6311-41	\$15,000.00	10/10/16
--------------	-------------	----------

Step 2:

Request and Receive IDEA Part B Federal Funds in School Payment Transmittal
Payment Transmittal \$15,000.00 11/21/16

Step 3:

No further action needed since federal funds are tied to expenditures in advance

❖ **JOURNAL ENTRY CORRECTION:**

For ECSE federal and HNF federal funds, the district/LEA will receive reimbursement from DESE based on prior year expenditures. Even though the funds are based on prior year expenditures, the district/LEA must tie the federal revenue to current year expenditures to be in compliance with CMIA requirements.

Once the district/LEA receives reimbursement, the district/LEA must tie the revenue to existing current year expenditures that were initially paid with state and/or local funds through a journal entry correction. This must be completed within three business days of the receipt of federal funds. After the journal entry correction has been performed the expenditure should be shown in the general ledger as a federally paid expenditure with the appropriate project/source code.

An example of the Journal Entry Correction option is shown below.

Step 1:

Incur Expenditure and Code to Non-Federal Account in the General Ledger
1281-6311-03 \$5,000.00 10/10/16

Step 2:

Receive ECSE Federal Funds in School Payment Transmittal
Payment Transmittal \$5,000.00 11/21/16

Step 3:

Journal Entry Correction to Recode to ECSE Federal Special Education Account ("42") within 3 Days
1281-6311-03 -\$5,000.00
1281-6311-42 \$5,000.00 11/23/16

ECSE federal revenue must go towards the ECSE program. HNF federal revenue may go towards any special education program expenditure; it does not have to go towards a specific HNF student or specific HNF expenditure.

When the Journal Entry Correction method is utilized, the district/LEA must do the following:

- For payroll, ensure all staff paid with federal funds completes the appropriate time and effort paperwork because the district/LEA has now paid federal funds to staff due to the Journal Entry Correction. DESE recommends applying ECSE and HNF federal reimbursements to salaries and/or benefits as this option has less federal requirements.

- For equipment, ensure all inventory requirements are met if the expenditure meets the applicable thresholds because equipment has now been purchased with federal funds due to the Journal Entry Correction.
- For purchased services, ensure all procurement guidelines and obligation of funds were followed prior to making the Journal Entry Correction.

OVER-CODING FEDERAL FUNDS

Expenditures coded in the general ledger as being paid with federal revenue must equal the amount of federal funds received. For example, a district/LEA receives a \$50,000 IDEA Part B federal payment. The general ledger should reflect only \$50,000 in expenditures were paid with IDEA Part B federal funds. If the district/LEA has more than \$50,000 reflected in the general ledger, the district/LEA has over-coded federal funds and is at risk for violating CMIA by requesting more federal funds than have been expended. Additionally, the district/LEA can't verify exactly which expenditures were paid with the federal funds. The same rule applies for ECSE and High Need Fund (HNF) federal revenue received.

PAYMENT REQUESTS

Payment requests have been automated as much as possible to assist the district/LEA from requesting overpayments. However, the district/LEA should ensure the following when making payment requests:

- Monthly payment requests should only include amounts already expended.
- The Payment Request Schedule is posted on the Special Education Finance website each fiscal year identifying the payment request due date, maximum percentage of approved budget that may be requested, and the expenditure period end date for each school payment month. Amounts included on payment requests must be expended and coded to a federal account by this date in order to be in compliance with CMIA. The Payment Request Schedule is posted at: <http://dese.mo.gov/financial-admin-services/special-education-finance/part-b-funding-and-allocations>.
- The district/LEA should not make payment requests based on budgeted amounts, instead payment requests must be based on actual expenditures in the general ledger.
- The district/LEA should be aware of unspent Proportionate Share funds when making payment requests, as all unspent current year Proportionate Share funds must be reserved and carried over the next fiscal year.
- In the event that the requested payment amount exceeds the expenditures paid with IDEA Part B federal funds coded in the general ledger, the district/LEA has been overpaid and will be required to refund the amount overpaid along with possible interest on those funds.
- In the event that the requested payment amount is less than the expenditures paid with IDEA Part B federal funds coded in the general ledger, the district/LEA has either not requested enough IDEA Part B federal funds or has over-coded the expenditures paid with IDEA Part B federal funds coded in the general ledger.

OVERPAYMENTS

Violating CMIA requires a return of federal revenue with interest. Districts/LEAs that receive an overpayment of IDEA Part B federal funds must submit a refund to DESE for the overpayment amount plus any interest that could have accrued on the overpayment to comply with CMIA. Funds used to pay the interest must come from the district/LEA's state and/or local revenue sources. Interest is calculated using the following formula:

$$\begin{array}{ccccccc} \text{Amount of} & & \text{Daily Federal} & & \text{Number of Business} & & \text{Interest} \\ \text{Overpayment} & \times & \text{Interest Rate} & \times & \text{Days Overpayment} & = & \text{Due} \\ & & & & \text{Was Held} & & \end{array}$$

Interest must be calculated even if it was not actually accrued because the potential was there to earn interest. Districts/LEAs should compare all payment transmittals to their payment requests to ensure that the system has not overpaid them in error. If districts/LEAs notice that an overpayment has occurred, they should contact the appropriate section as soon as possible so interest charges are not owed. Federal interest rates are located at:

https://www.fiscal.treasury.gov/fsservices/gov/rvnColl/cmias/rvnColl_cmia_rates.htm.

Up to \$500 of the interest amount owed per year on all combined Federal program may be retained to cover administrative expenses associated with the overpayment (bookkeeping, check cutting check, etc.). The district/LEA must be able to document these administrative expenses.

CASH MANAGEMENT PROCEDURE

The district/LEA must have a written Cash Management procedure. The procedure should address the following:

- The process utilized for determining payment request amounts.
- The process utilized for requesting payments; who will make payment requests and how often.
- The process utilized for tracking the receipt of federal funds.
- The process utilized for ensuring the federal funds are tied to expenditures in the general ledger.
- The process utilized to ensure overall compliance with the cash management requirements as described within this section of the Monitoring Guide.

OBLIGATION OF FUNDS

OVERVIEW

To obligate funds means to reserve, commit, or set-aside for a specific activity or purpose. The district/LEA may not begin to obligate IDEA Part B federal funds until the district/LEA has submitted the IDEA Part B Budget Application in a substantially approvable format. The application is considered to be in a substantially approvable format once the Budget Application grid, supporting data pages, and assurances are completed and submitted to DESE. The substantially approved date is the submission date of the application or July 1st, whichever is later. The district/LEA may continue to obligate funds through June 30th of each fiscal year.

The district/LEA may make Budget Revisions until April 30th of each year if obligations change. However, any Budget Revisions needed after April 30th due to changes in obligations require prior approval by the Special Education Finance Section.

OBLIGATING FUNDS

The table below identifies when an obligation period begins.

IF THE OBLIGATION IS FOR...	THEN THE OBLIGATION PERIOD BEGINS...
General Purchases	<p>On the date the district/LEA creates/generates a purchase order to acquire the item.</p> <p>Note: The district/LEA must not issue purchase orders intended to be paid with IDEA Part B federal funds until the Budget Application has been substantially approved, or July 1st, whichever is later.</p>
Personal services by an employee of the district/LEA	<p>On the date the services are performed. For teachers, the obligation begins on the date the work is performed NOT when the contract is signed because teachers are employees of the district/LEA.</p> <p>Note: The district/LEA may not pay employees with IDEA Part B federal funds until the Budget Application has been substantially approved, or July 1st, whichever is later.</p>
Personal services by a contractor who is not an employee of the district/LEA	<p>On the date the district/LEA makes a binding written commitment (signs contract) to obtain the services. This includes contracts with individuals to provide specific services (i.e. OTs, PTs, and tutors).</p> <p>Note: The district/LEA must not enter into a binding written commitment (sign contract) intended to be paid with IDEA Part B federal funds until the Budget Application has been substantially approved, or July 1st, whichever is later.</p>

IF THE OBLIGATION IS FOR...	THEN THE OBLIGATION PERIOD BEGINS...
Non-Personal services by a contractor who is not an employee of the district/LEA	<p>On the date the district/LEA makes a binding written commitment (signs contract) to obtain the work. This includes contracts with companies or entities to provide services (i.e. janitorial company, bus company).</p> <p>Note: The district/LEA must not enter into a binding written commitment (sign contract) intended to be paid with IDEA Part B federal funds until the Budget Application has been substantially approved, or July 1st, whichever is later.</p>
Travel	<p>On the date the travel is performed.</p> <p>Note: The district/LEA must not pay for travel expenses with IDEA Part B federal funds until the Budget Application has been substantially approved, or July 1st, whichever is later.</p>
Public utility services	<p>On the date the district/LEA receives the services.</p> <p>Note: The district/LEA must not pay for utility services with IDEA Part B federal funds until the Budget Application has been substantially approved, or July 1st, whichever is later.</p>
Acquisition of mobile units	<p>On the date the district/LEA makes a binding written commitment (signs contract) to acquire the property.</p> <p>Note: The district/LEA must not enter into a binding written commitment (sign contract) intended to be paid with IDEA Part B federal funds until the Budget Application has been substantially approved, or July 1st, whichever is later.</p>
Rental of real or personal property	<p>On the date the district/LEA begins to use the property.</p> <p>Note: The district/LEA shall not pay for rental property with IDEA Part B federal funds until the Budget Application has been substantially approved, or July 1st, whichever is later.</p>

In the event, that a district/LEA obligates funds prior to the Budget Application being substantially approved, or prior to July 1st, whichever is later, IDEA Part B federal funds may not be utilized to pay the expenditure. The district/LEA must utilize state and/or local funds to pay the expenditure.

Specific scenarios related to obligation periods are included at the end of this section.

OBLIGATION OF FUNDS SCENARIOS

1. Missouri School District plans to utilize a portion of the 2016-17 IDEA Part B federal allocation to pay for contracted handicapped transportation in the upcoming school year. The contract between the district/LEA and ABC Transportation for the 2016-17 school year was signed by both parties on 5/15/2016. The district/LEA submitted the 2016-17 Part B Budget Application on 5/1/2016. Missouri School District may pay ABC Transportation expenditures with 2016-17 IDEA Part B federal funds.

False. *Obligations for contracts begin when the contract is signed. Funds can't be obligated until the Budget Application is submitted (5/1/2016) OR July 1st, whichever is later. July 1st is used as the target date since it is later. Therefore, the district/LEA can't pay any IDEA Part B federal funds toward this contract because it was signed prior to July 1st.*

2. Missouri School District plans to utilize IDEA Part B federal funds to pay the Special Education Director's salary and benefits in the 2016-17 school year. The Special Education Director signs a 2016-17 teacher contract on 7/1/2016 and starts work on that date. The district/LEA submitted the 2016-17 Part B Budget Application on 7/18/2016. The district/LEA may pay the Special Education Director's salary/benefits for the 7/1/2016 -7/15/2016 pay period with 2016-17 IDEA Part B federal funds.

False. *Obligations for employee payroll begin when the work is performed. Funds can't be obligated until the Budget Application is submitted (7/18/2016) OR July 1st, whichever is later. The Budget Application was submitted later than July 1st, so the July 18th is used as the target date since it is later. Therefore, the district/LEA can't pay any IDEA Part B federal funds toward payroll until after 7/18/2016.*

3. Missouri School District submitted the 2016-17 IDEA Part B Budget Application on 6/30/2016. The IDEA Part B federal funds will be utilized to pay for speech services for IEP students provided by The Speech Center. The contract between the school district and The Speech Center for the upcoming school year was signed by both parties on 3/1/2016. Missouri School District received an invoice from The Speech Center for services provided in the month of August. The district/LEA may use 2016-17 IDEA Part B federal funds to pay the invoice.

False. *Obligations for contracts begin when the contract is signed. Funds can't be obligated until the Budget Application is submitted (6/30/2016) OR July 1st, whichever is later. July 1st is used as the target date since it is later. Therefore the district/LEA can't pay any IDEA Part B federal funds toward this contract since it was signed prior to July 1st.*

4. Missouri School District would like to order new textbooks for the special education department. To ensure the books are delivered in time for the upcoming school year, the district/LEA creates a Purchase Order on 6/1/2016 and places the order. The 2016-17 IDEA Part B Budget Application is also submitted on 6/1/2016. The textbooks arrive and the invoice is paid on 7/15/2016. Missouri School District can pay the invoice with 2016-17 IDEA Part B federal funds.

False. Obligations for general purchases begin when the purchase order is generated/issued. Funds can't be obligated until the Budget Application is submitted OR July 1st, whichever is later. July 1st is used as the target date since it is later. Therefore the district/LEA can't pay any IDEA Part B federal funds toward this purchase order since it was generated/issued prior to July 1st.

5. Missouri School District's Superintendent was on vacation and was unable to submit the 2016-17 Part B Budget Application until 8/1/2016. After returning from the New Director's Academy training, the Special Education Director, Mrs. Jones, turns in an expenditure report with the 7/13/2016 travel expenses. The district/LEA issues a check to Mrs. Jones on 8/2/2016. Since the IDEA Part B Budget Application was submitted prior to the check being issued, the reimbursement may be paid with 2016-17 IDEA Part B federal funds.

False. Obligations for travel begin when the travel is taken. Funds can't be obligated until the Budget Application is submitted OR July 1st, whichever is later. The Budget Application submission date of August 1st is later than July 1st; therefore the district/LEA can't pay any IDEA Part B federal funds toward this travel since it occurred prior to the Budget Application submission date (8/1/2016).

PERIOD OF AVAILABILITY

OVERVIEW

The period of availability is the amount of time the district/LEA has to obligate and expend grant funds. There are three main elements to the period of availability: the grant cycle, the FER Reporting and Extension Period, and Overlapping Grant cycles.

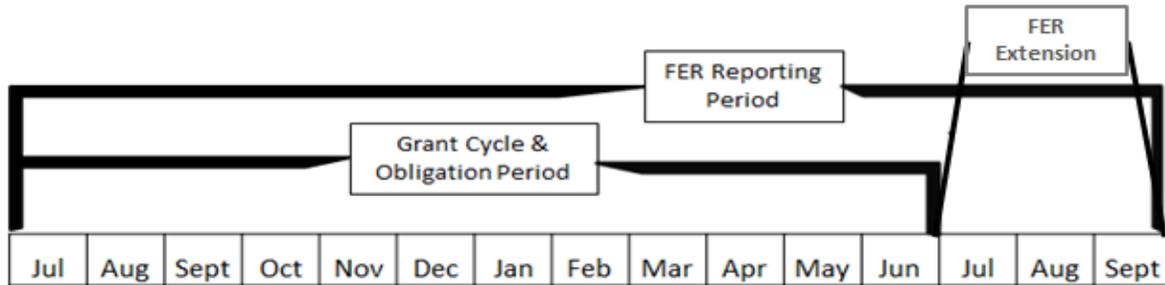
GRANT CYCLE

A grant cycle runs from July 1st to June 30th of each fiscal year. Obligations made with IDEA Part B federal funds may only occur within this grant cycle timeframe. However, if a district/LEA submits the IDEA Part B Budget Application after the July 1st due date, then the grant cycle begins on the date that the application is substantially approved and obligations can only begin after that date. If the district/LEA submits the IDEA Part B Budget Application before the July 1st due date, then the grant cycle still begins July 1st of the fiscal year. Obligations can't occur after June 30th as that is the start of a new fiscal year and new grant cycle.

GRANT CYCLE	GRANT CYCLE DATES	FIRST DAY TO OBLIGATE	LAST DAY TO OBLIGATE
FY17 Grant Funds	July 1, 2016 – June 30, 2017	July 1, 2016 or application submission date (whichever is later)	June 30, 2016
FY18 Grant Funds	July 1, 2017 – June 30, 2018	July 1, 2016 or application submission date (whichever is later)	June 30, 2017

FER REPORTING AND EXTENSION PERIOD

The FER Reporting period runs from July 1st to September 30th each fiscal year to offer flexibility and additional time in accessing grant funds from the grant cycle. This allows districts/LEAs an extra three months after the grant cycle ends to access funds as long as the obligation occurred during the grant cycle (prior to June 30th). These additional months are referred to as the FER extension. Districts/LEAs may continue to request grant funds from the previous grant cycle until September 30th. See the diagram below for further illustration.

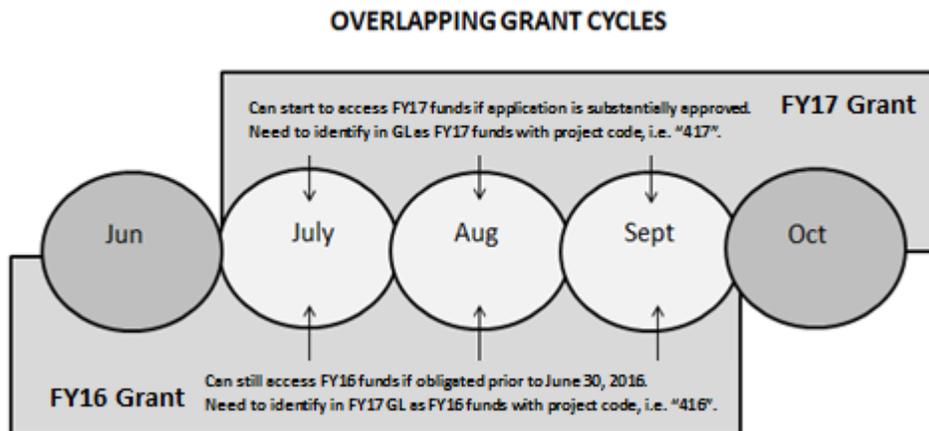


In order to utilize this option, the following must apply:

- The expenditure must have been obligated prior to June 30th
- There must be remaining grant funds after June 30th
- The district/LEA has not submitted the FER

OVERLAPPING GRANT CYCLES

When the district/LEA utilizes the flexibility offered in the FER extension, the district/LEA must account for the prior year grant funds (FY16) and current year grant funds (FY17) separately in the general ledger during the three month extension when there is an overlap of funding. This is not carrying over prior year funds into a new year; but rather accessing funds from the prior grant and the current grant at the same time as shown in the following illustration. How to code and track funds from overlapping grant cycles is explained below.



TRACKING OVERLAPPING GRANT CYCLES

Expenditures paid during the three month FER extension period will be coded in the same fiscal year general ledger as the new grant cycle expenditures; therefore the district/LEA must track the expenditures being paid with prior year grant funds (FY16) separately from the expenditures being paid with current year grant funds (FY17). This is accomplished by the use of distinct project/source codes to identify the prior year grant funds (FY16) separately from the current year grant funds (FY17) as shown in the example below. This ensures that the

district/LEA does not include expenditures paid with prior year grant funds in current year payment requests or on the IDEA Part B FER.

FUND	FUNCTION	OBJECT	PROJECT/ SOURCE	YEAR
01	1221	6100	416	FY16 FUNDS
01	1281	6100	417	FY17 FUNDS

OVERLAPPING GRANT CYCLE RULE

While the district/LEA may continue to access previous grant cycle funds after July 1st to pay for “old” expenditures from the previous grant cycle, IDEA Part B federal funds from a new grant cycle cannot be used to pay for obligations and expenditures that occurred in the previous grant cycle. Basically, the district/LEA can’t use new grant funds to pay for an old expenditure as shown in the diagram below.

FY17 GRANT FUNDS	≠	FY16 EXPENDITURES
July 1, 2016 (FY17) Grant Funds	≠	FY16 June Payroll
July 1, 2016 (FY17) Grant Funds	≠	FY16 June ESY Services
July 1, 2016 (FY17) Grant Funds	≠	FY16 June/May Conference Fee

FISCAL YEAR TEACHER CONTRACT SCHEDULE

The district/LEA should issue teacher contracts that coincide with the fiscal year (i.e. July 1st – June 30th) to ensure compliance with Period of Availability requirements.

If the district/LEA does not issue teacher contracts that coincide with the fiscal year (i.e. August 1st – July 31st), the district/LEA must ensure the appropriate fiscal year of grant funds are utilized when paying teachers’ salaries and/or benefits. The district/LEA cannot use new fiscal year grant funds to pay the salary and/or benefits for prior year teacher contracts. So in the example above, the July payroll would continue to be paid with prior year grant funds if remaining funds are available. If funds are not available, the district/LEA must pay the salary and/or benefits for prior year teacher contracts with state and/or local revenue.

ALLOWABLE USE OF FUNDS

OVERVIEW

The purpose of IDEA is to ensure that all children with disabilities have available a free and appropriate public education (FAPE) that emphasizes special education and related services. IDEA Part B federal funds are not intended to fund the entire special education program, the funds are intended to supplement state and local funds and pay only the excess costs of educating children with disabilities.

ALLOWABLE USE OF FUNDS

IDEA Part B federal funds may only be used for the following activities:

- To support the costs of special education and related services (including schoolwide pool and capital outlay).
- To provide coordinated, early intervening services (CEIS).
- To establish cooperatives to pay for high cost special education and related services.
- To purchase appropriate technology for recordkeeping, data collection, and related case management.

However, in order to for an expenditure to be allowable, the district/LEA must be able to justify that all expenditures paid with IDEA Part B federal funds are necessary and reasonable for the special education program. To determine if an expenditure is necessary and reasonable the district/LEA should ask the following questions:

- 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 (i.e. paper is difficult to track in order to prove it was used by only the special education program)?

In addition, in order to determine if lunch provided at meetings and/or conferences is a necessary and reasonable expenditure that can be paid with IDEA Part B federal funds, the district/LEA should ask the following questions as well:

- Is there a genuine time constraint that requires a working lunch?
- Is the portion of the agenda to be covered during the working lunch substantive and integral to the overall purpose of the meeting or conference?
- Is the cost of the working lunch reasonable?

For the expenditure to be an allowable use of IDEA Part B federal funds, the district/LEA must have documentation on file that addresses each of the above questions to show that the working lunch was necessary and reasonable.

UNALLOWABLE USE OF FUNDS

Examples of unallowable expenditures include the following:

- Entertainment and Promotional Items (pens, bags, t-shirts, etc.)
- Recreational Field Trips/Special Olympics/Classroom Parties
- Legal Fees Related to Child Compliant/Due Process
- General Education Expenditures
- District-wide Training (unless it is geared specifically towards special education)
- Petty Cash (i.e. for life skills grocery shopping, laundromat, public transportation)
- Income Generating Activities (i.e. life skills classroom bake sale)
- Principal/Superintendent Salaries
- Alcoholic Beverages
- Fines and Penalties
- Lobbying
- Medicaid Billing Fees
- Local Tax Effort/Billbacks
- Patents
- Materials And Supplies Deemed Unnecessary (i.e. coffee maker, decorations, flower arrangements, party supplies, proms/dances, etc.)
- Breakfast and dinner provided by the district/LEA during meetings/conferences (not to be confused with reimbursable breakfast and/or dinner for individuals in travel status)

BUDGETING FUNDS

The district/LEA must enter budgeted funds by the appropriate function and object codes on the IDEA Part B Budget Application in ePeGS. Budgeted funds may not exceed the district/LEA allocation.

Actual expenditures reported in the Final Expenditure Report (FER) may exceed the amount originally budgeted for each object code by up to 10% of the total district/LEA IDEA Part B budget. In the event that the actual expenditures for each object code exceed 10% of the total budget, the district/LEA must revise the Budget Application.

Building level budgets should have the approval of the special education director or another individual familiar with IDEA Part B federal requirements prior to obligating funds to ensure allowable use of funds and that the obligation is necessary and reasonable to the special education program.

PRORATING EXPENDITURES

IDEA Part B federal funds that are not directed 100% towards the special education program must be prorated. There are various methods the district/LEA may use to prorate costs. The method chosen by the district/LEA should be rational, reasonable, and consistent. In addition,

the method of proration must also be documented. Below are examples the district/LEA may use to prorate costs.

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

If the expenditure will provide an incidental benefit to non-special education students, the cost may not have to be prorated. Incidental benefit means occurring by chance or without intention; or as a result of something else. Therefore, if an expenditure is intended for special education students, but non-special education students may benefit from the purchase by chance or without intention, then the cost does not have to be prorated. Districts/LEAs should consult DESE prior to assuming an incidental benefit.

APPROVING EXPENDITURES

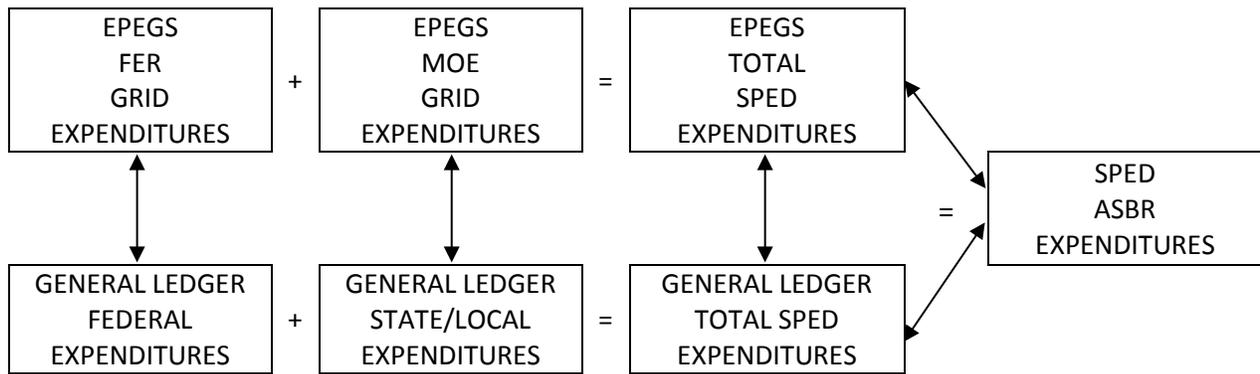
Building level expenditures should have the approval of the special education director or another individual familiar with IDEA Part B federal requirements to ensure allowable use of funds and that the expenditure is necessary and reasonable for the special education program. The special education director or another individual familiar with IDEA Part B federal requirements should approve expenditures paid with state or local revenue sources as well. This ensures the district/LEA will not experience any unnecessary increases or negative impacts to the Maintenance of Effort (MOE) threshold.

COMPARING EXPENDITURES

The district/LEA must ensure that all documentation of expenditures match, including the FER and MOE grids, the general ledger, and the Annual Secretary of the Board Report (ASBR). If the expenditures do not match, allowable use of funds cannot be determined. The only exceptions where differences may exist when comparing the ASBR amounts to the amounts reported on the FER and MOE grids include the following:

- Special education expenditures paid with ECSE federal funds, HNF federal funds, Assistive Technology federal grants, etc. will be reported in the ASBR, but not in the FER or MOE grids.
- Expenditures reported under function codes 2200 and 4000 on the ASBR are part of the comparison even though the expenditures may not be specific to the special education program.

The district/LEA must enter a comment on the MOE Step 6 (comparison page) to address the bulleted items above if applicable. The chart below illustrates this correlation and the three way match test.



If it is determined during the Special Education Finance monitoring process that the district/LEA's expenditures coded in the general ledger need to be changed and the general ledger is closed, the district/LEA will be required to complete a General Ledger Journal Entry Correction (GLJEC) form. Once approved by DESE, the GLJEC form will become part of the district/LEA's official records. A sample of the GLJEC form is included at the end of this section.

SCHOOLWIDE POOL

The schoolwide pool is a program authorized under Section 1114 of the Elementary and Secondary Education Act (ESEA) and is permitted as an allowable use of funds under IDEA. Schoolwide programs provide districts/LEAs with more flexibility in serving students, by improving all structures that support student learning and combining all resources, as opposed to other programs that provide services to identified, individual students.

Districts/LEAs may pool IDEA Part B federal funds into the schoolwide pool program. The amount allowed is based on the following formula:

$$\begin{aligned} & \text{IDEA Part B Allocation} \\ & - \text{Set Asides (Proportionate Share \& CEIS)} \\ & = \text{Available IDEA Part B Allocation} \end{aligned}$$

$$\begin{aligned} & \text{Available IDEA Part B Allocation} \\ & \div \text{Child Count (IEP Students)} \\ & = \text{Available IDEA Part B Allocation per Child} \end{aligned}$$

$$\begin{aligned} & \text{Available IDEA Part B Allocation per Child} \\ & \times \text{IEP Students Participating in Schoolwide Program} \\ & = \text{Maximum Allowed IDEA Part B Schoolwide Amount} \end{aligned}$$

Districts/LEAs have three options for pooling IDEA Part B federal funds:

- Pool the Maximum Allowed IDEA Part B Schoolwide Amount

- Pool a portion of the Maximum Allowed IDEA Part B Schoolwide Amount
- Pool no IDEA Part B federal funds

No matter which option is selected, districts/LEAs must still comply with all IDEA fiscal and compliance requirements, including Maintenance of Effort (MOE).

ALLOWABILITY PROCEDURE

The district/LEA must have a written allowability procedure for the use of federal funds. The procedure should be a training tool and guide for all employees. The allowability procedure should address the following:

- The process used to ensure expenditures are necessary, reasonable, permissible, allocable, and documented from the beginning of the grant cycle in the development and budget stage to the end of the grant cycle in reporting final expenditures.
- The process utilized to determine direct and indirect costs.
- The process utilized to ensure all expenditures paid with all federal revenue are treated consistently across all programs.
- The process utilized to ensure policies/procedures apply uniformly to both federally funded and non-federally funded expenditures.
- The process utilized to determine cost sharing or matching requirements.
- The process utilized to indicate which employee positions are responsible for preparing and approving the budget, approving and expending funds, and reporting final expenditures.

TRAVEL POLICY

In addition, the district/LEA must have a written travel policy if utilizing federal funds to pay for travel that supports the allowed activities within the grant. The travel policy and should address the following:

- The process utilized to reimburse employees (district/LEA credit card, expense accounts, etc.) and the reimbursement timeframe (with payroll, weekly, monthly, etc.).
- The process utilized to determine travel status (i.e. distance, length of day, etc.) and the threshold used (i.e. 50 miles away, traveling more than 9 hours per day, etc.).
- The process utilized to reimburse expenses (i.e. actual amounts or per diem amounts).

Given this is a required policy and not a procedure; it must be board approved.

TRAVEL JUSTIFICATION

All travel expenditures must have a justification statement contained within the source documentation as to why the travel was pertinent to grant activities. A sample travel justification form is included at the end of this section.

GENERAL LEDGER JOURNAL ENTRY CORRECTION FORM

DISTRICT NAME: _____ DISTRICT CODE: _____
 SCHOOL YEAR: _____ FISCAL YEAR: _____
 CONTACT NAME: _____ CONTACT PHONE: _____
 CONTACT EMAIL: _____ DATE OF FORM: _____

To revise the funding sources initially reported for Maintenance of Effort (MOE) in the Final Expenditure Report (FER), the district/LEA must complete this form. Districts/LEAs must list the coding structure for the original expenditure(s) in the first section of the chart and indicate the accounting code structure to which the expenditure(s) is being recoded in the second section of the chart below. Once approved, the district/LEA must keep this form as an official financial record with the General Ledger documentation.

ORIGINAL GENERAL LEDGER EXPENDITURE INFORMATION						JOURNAL ENTRY CORRECTION EXPENDITURE INFORMATION						
Fund	Function	Object	Project	Description	Amount	Fund	Function	Object	Project	Description	Amount	Source
1	1221	6111	51	SE Salaries	75,000.00	1	1221	6111	53	SE Salaries	75,000.00	State
TOTAL:						-						

CERTIFICATION - I certify by typing my name in the box beside this statement the information listed on this form is accurate:

DESE USE ONLY

ASBR Total State Revenue: _____ New MOE Step 2-State Only Total: _____
 ASBR Total Local Revenue: _____ New MOE Step 3-Local Only Total: _____
 Verified & Approved By: _____ Date: _____

Travel Justification Form

The item selected below indicates why participation in the activity was necessary to the federal award.

- To attend meeting related to a special education student (IEP, evaluation, progress update, teacher consultation, etc.).
- To perform training or technical assistance related to the IDEA federal grant activities.
- To perform a required contract related activity funded under the IDEA federal grant.
- To perform monitoring activities as required by the IDEA and UGG federal regulations.
- To attend professional development activities related to the programs funded by the IDEA federal grant.
- To attend office/section/staff meetings to share information/updates/activities related to the IDEA federal grant work.
- To attend advisory council meetings as required by the IDEA federal regulations.
- To perform due process/surrogate/child complaint activities as required by the IDEA federal regulations.
- OTHER: _____

INTERNAL CONTROLS

OVERVIEW

Internal controls safeguard the district/LEA and protect against fraud and abuse. Internal controls are procedures to ensure effective and efficient operations, reliable financial reporting, and compliance with applicable laws and regulations. Internal controls apply to all aspects of the district/LEA's operations, including programmatic, financial, compliance, etc.

Internal controls apply to all special education program expenditures regardless of revenue source (IDEA Part B federal funds, state revenue, local revenue, etc.).

INTERNAL CONTROL ELEMENTS

Written policies and procedures explaining Internal Controls should, at minimum, include the following elements:

- **SEGREGATION OF DUTIES/SECOND APPROVAL:** The duties associated with the approval, processing (receipt/payment), and recordkeeping should be separated. In the event that the district/LEA does not have adequate staff to segregate these duties, the district/LEA must implement a second approval process. The second approval process entails the review and approval by at least two different people. This could include the review and approval by the superintendent and/or the school board.
- **APPROVAL OF EXPENDITURES:** All expenditures should be reviewed by the special education director, along with the supporting documentation (e.g. purchase orders, invoices, etc.), for approval prior to issuing payments. Multiple signatures should be required on all payment documentation (checks, purchase orders, invoices, etc.) and tracked through a pre-numbered monitoring system. Expenditures should be posted daily and reconciled on a monthly basis.
- **JOURNAL ENTRY CORRECTION APPROVAL:** All Journal Entry Corrections should require a documented second approval before posting to the general ledger. This could include the review and approval by the superintendent and/or the school board.
- **SUPERVISION/MONITORING OF OPERATIONS:** There should be monitoring of ongoing operational activities to maintain efficiency, effectiveness, and proper use of funds. Staff responsible for monitoring operational activities should continually receive training on program changes or updates. The district/LEA should evaluate the process to ensure the efficiency, effectiveness, and proper use of funds.
- **RETENTION OF RECORDS:** All documentation should be maintained to substantiate transactions according to established rules. The federal retention period is five years for all financial and programmatic records.

- **PHYSICAL SAFEGUARDS:** Physical safeguards, including the use of cameras, locks, physical barriers, etc. should be in place to protect property, such as inventory. Inventory items should include a check-out and tracking process.
- **IT SECURITY:** The use of passwords, access logs, etc. should be established to ensure access is restricted to authorized personnel.
- **SYSTEM CONTROLS:** Accounting and payroll systems should include automatic edit checks of data entered, accounting for transactions in numerical order, comparing expenditure totals with budget amounts, and controlling access to data, files and programs.
- **SYSTEM REPORTS:** Accounting and payroll systems should have the ability to query system data reports for accountability and financial management purposes.

SOURCE DOCUMENTATION

Expenditures must have supporting documentation, also called source documentation. The source documentation indicates the “who, what, when, where, why and how” for an expenditure. Source documentation consists of a purchase requisition, a purchase order, receiving documentation, an invoice, and payment documentation. The following list describes the required source documentation that must be maintained for all expenditures. Without source documentation to support expenditures, districts/LEAs cannot prove compliance with IDEA requirements.

- **REQUISITION:** The requisition is the originating request for a purchase. The requisition indicates WHAT the purchase is, WHO it is for, and WHY it is needed. The requisition needs to be in written format (i.e. email, standard form, handwritten request) with an indication of approval and must be maintained as a part of the source documentation.
- **PURCHASE ORDER:** The purchase order obligates funds for a purchase. It indicates WHAT the purchase consists of, HOW the purchase is obtained, and WHERE the purchase will be obtained. The purchase order must be specific enough to list the detailed items being purchased, quantity, vendor, purchase price, funding source being obligated with accounting codes, and approval signature and date. The purchase order needs to be in written format and contain a unique identifying number for tracking purposes. The individual approving the purchase order should be different than the individual who created the original requisition, or at least have a second signature for approval if these duties can't be segregated. The purchase order must be maintained as a part of the source documentation.
- **RECEIVING DOCUMENTATION:** The receiving documentation indicates WHEN the product was received or WHEN the service was provided. Receiving documentation can be a packing slip, timesheet, attendance certificate, therapy notes/logs, etc. A signature with date should be recorded on the receiving documentation indicating verification of

the receipt of products/services. The receiving documentation must be maintained as a part of the source documentation.

- **INVOICE:** The invoice is the request for payment and verifies the “who, what, when, where, why and how.” The funding source and the accounting codes must be listed on the invoice and match the purchase order, as well as an approval signature with date. The invoice must be maintained as a part of the source documentation.
- **PAYMENT:** The payment is the documentation of the issued check or the electronic payment transmittal. The payment documentation should be verified for accuracy against the invoice before mailing. The expenditure must be logged in the general ledger at the time payment is issued and should correlate with the funding sources and accounting codes indicated on the purchase order and invoice. The payment documentation must be maintained as a part of the source documentation.

PROCUREMENT

OVERVIEW

Procurement is the purchase of goods or services, which includes the purchase of supplies, equipment, construction and contracted services. A procurement system, or purchasing process, ensures that the district/LEA obtains goods and services that are appropriate and necessary, and acquired at the best possible cost. A district/LEA's procurement process must be in written format and meet the specific requirements listed below when purchasing goods and services with IDEA Part B federal funds.

The Procurement Procedure must address the following:

- Standards of Conduct/Conflict of Interest/Gratuity Violations
- Competitive Environment
- Procurement Methods
- Resolution Clause
- Contract Administration
- Contract Provisions
- Debarment/Suspension
- Procurement Records

These components are described in further detail below.

STANDARDS OF CONDUCT/CONFLICT OF INTEREST/GRATUITY VIOLATIONS

In addition, the district/LEA must have written standards of conduct policy which governs the actions of its employees engaged in the selection, award, approval and administration of contracts.

No employee, administrator, or board member may participate in the selection, award, approval or administration of a contract supported by federal funds if there is a real or apparent conflict of interest. Such instances arise when the employee, administrator, or board member, a family member, a partner, or an organization that employs or is about to employ any of the parties indicated herein, has a financial, personal benefit, or other interest in the vendor being considered for the contract.

The board members, administrators, and employees of the district/LEA must not solicit or accept gratuities, favors, or anything of monetary value from contractors/vendors. However, districts/LEAs may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value (candy, cards, flowers, balloons, etc.).

The written standards of conduct must provide for penalties, sanctions, or other disciplinary actions, to the extent permitted under state and local law. Violations must be reported to the federal awarding agency.

COMPETITIVE ENVIRONMENT

The procurement process must maximize competition to demonstrate good value was obtained by the federal program under which the goods or services were provided. Below are examples of situations that could be considered restrictive of competition.

- Placing unreasonable requirements on contractors/vendors
- Requiring unnecessary experience or excessive bonding
- Noncompetitive pricing practices
- Noncompetitive awards to contractors/vendors that are on retainer contracts
- Specifying only a “brand name” product instead of allowing generic products or relevant elements

Districts/LEAs must define processes to promote fair and open competition while minimizing exposure to fraud and abuse.

PROCUREMENT METHODS

Procurement procedures must address each of the types of procurement methods listed below. Regardless of the method of procurement selected, the quote/bid specifications should be in writing and should be consistent for all proposed contractors/vendors.

MICRO PURCHASES: Districts/LEAs shall identify in the written procurement procedure, a micro purchase threshold of \$3,500 or less. No bids or quotations are required, but micro-purchases must be distributed equitably among qualified vendors (i.e. cannot order supplies from Staples only, unless Staples was selected through the bid process).

SMALL PURCHASES: Districts/LEAs shall identify in the written procurement procedure, a small purchase threshold of \$150,000 or less and the number of required quotes/bids (i.e. 3 bids) for each purchase. Although the Uniform Grant Guidance indicates \$150,000 is a small purchase, DESE recommends setting a much lower threshold. The district/LEA must maintain documentation of the quotes/bids even though the item is considered a small purchase.

SEALED BIDS: Districts/LEAs shall identify in the written procurement procedure when bids will be publicly solicited through formal advertising. Publicly solicited bids are appropriate when:

- The purchase is greater than \$150,000;
- A complete, adequate, and realistic specification or purchase description is available;
- Two or more responsible bidders are willing and able to compete effectively for the project;

- The procurement lends itself to a firm-fixed price contract (where the amount of payment is capped and does not depend on the amount of resources or time expended); and
- The selection of the successful bidder can be made on the basis of lowest cost.

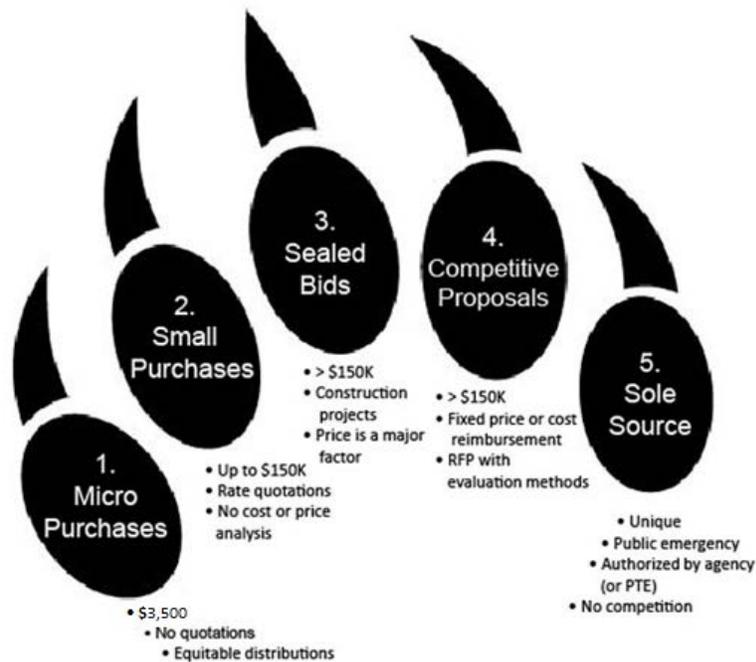
COMPETITIVE PROPOSALS: Districts/LEAs shall identify in the written procurement procedure when competitive proposals will be utilized. This method is used when:

- The purchase is greater than \$150,000;
- More than one contractor/vendor is submitting an offer;
- Either a firm-fixed price (where the amount of payment is capped and does not depend on the amount of resources or time expended) or cost-reimbursement type contract (where the amount of payment is for all allowed expenses to a set limit plus additional funds to allow for profit) will be awarded;
- Conditions are not appropriate for the use of sealed bids; and
- There are multiple evaluation factors other than just cost.

NONCOMPETITIVE/SOLE SOURCE: Noncompetitive proposals are occasionally permissible but only in limited circumstances. This occurs when the item is only available from a single vendor, there is an emergency situation, or competition is determined to be inadequate (after soliciting a number of sources). Sole source purchases should be well documented as to why the district/LEA was unable to obtain competitive proposals.

PROCUREMENT CLAW

This “Procurement Claw” illustration can assist with identifying the different procurement methods.



RESOLUTION CLAUSE

The district/LEA is responsible for resolution and settlement of all contractual and administrative issues arising out of federally related procurements including, but not limited to, source evaluation, protests, disputes, claims or other matters of a contractual nature. The district/LEA will maintain procedures to handle and resolve procurement disputes, including provisions to share information regarding the protest.

CONTRACT ADMINISTRATION

The district/LEA must maintain a system for contract administration to ensure that contractors/vendors perform in accordance with the terms, conditions and specifications of the contract, and to ensure adequate and timely follow up of all purchases. Districts/LEAs should evaluate contractor/vendor performance and document, as appropriate, whether contractors/vendors have met the terms, conditions and specifications of the contract.

CONTRACT PROVISIONS

All district/LEA contracts must contain the provisions listed below.

- Administrative, contractual, or legal remedies in instances where contractors violate or breach the contract terms, and include sanctions and penalties as may be appropriate for such violations and breaches.
- Termination for cause and for convenience by the district/LEA and contractor, including the manner by which it will be terminated, and the basis for settlement.
- Compliance with Executive Order 11246 entitled "Equal Employment Opportunity" (All construction contracts awarded in excess of \$10,000 must comply).
- Compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR part 3) (All contracts for construction or repair).
- Compliance with the Davis-Bacon Act (40 U.S.C. 276a to 276a-7) as supplemented by Department of Labor regulations (29 CFR part 5) (Construction contracts in excess of \$2,000).
- Compliance with Byrd Anti-Lobbying Amendment (31 U.S.C. 1352) (for contractors/vendors with awards of \$100,000 or more).
- Debarment and Suspension (E.O.s 12549 and 12689)—No contract shall be made to parties listed on the General Services Administration's List of Parties Excluded from Federal Procurement or Nonprocurement Programs in accordance with E.O.s 12549 and 12689, "Debarment and Suspension." This list contains the names of parties

debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible under statutory or regulatory authority other than E.O. 12549.

DEBARMENT/SUSPENSION

While the Uniform Grant Guidance only requires districts/LEAs to check debarment/suspension on expenditures of \$25,000 or more, DESE recommends the district/LEA ensure all contractors/vendors are in good standing with the federal government, state government, and licensing boards regardless of the expenditure amount. This requirement does not apply to district/LEA employees, registrations, or materials and supplies. Districts/LEAs may go to <https://oig.hhs.gov/> to verify the status of contractors/vendors with the federal government. To search a contractor/vendor, follow the steps listed below.

- Click on Exclusions
- Click on “Online Searchable Database”
- Select Search Method (Search for an Individual, Multiple Individuals, Single Entity, or Multiple Entities)
- Enter Search Criteria (Last Name, First Name, or Entity Name)
- Click on “Search”
- Print Results and Retain for Records

If the results indicate “No Records Found,” then the contractor/vendor is in good standing with the federal government. The district/LEA should print a copy of the search results for procurement record documentation purposes.

If there are results listed, click on the vendor name and verify social security/tax id number to ensure vendor status. The district/LEA may not pay federal funds to any vendor on the list.

In addition, the district/LEA should check the Secretary of State website to ensure the contractor/vendor is in good standing with the State of Missouri found at: <https://bsd.sos.mo.gov/BusinessEntity/BESearch.aspx?SearchType=0>.

PROCUREMENT RECORDS

Records detailing the procurement of goods and services, including the contracting process and supporting documentation/history must be maintained. This includes the bid/quote requirements, the documented rationale for the method of procurement chosen, the contractor/vendor selection or rejection; the materials regarding the cost and price analysis; and contractor/vendor search results.

TIME AND EFFORT

OVERVIEW

All employees, including teachers, paraprofessionals, therapists, administrators, and other staff whose salary and/or benefits are paid with any portion of federal funds, must document the time and effort spent within the program through time distribution records. This documentation is completed after the fact to certify/verify that the employee's work was performed during the funding period.

This rule applies to all special education federal funds including IDEA Part B federal funds, ECSE federal funds, and High Need Fund (HNF) federal funds.

Time and effort documentation is based on specific funding periods and must be recorded using one of the following methods:

- Semi-Annual Certifications for Employees that work in the Special Education Program ONLY
- Time and Effort Logs/Personnel Activity Reports (PARs) for Employees that work in Multiple Programs

In addition, special education staff must also be coded in MOSIS/Core Data under a special education or related course code and program code in order to verify special education work.

EMPLOYEES THAT WORK IN SPECIAL EDUCATION ONLY

Employees who work in the special education program only and are paid any amount of IDEA Part B federal funds, must document the time and effort spent within the program. This includes employees who are paid a combination of IDEA Part B federal funds and state and/or local funds. It also pertains to employees who are paid any amount of ECSE federal funds or HNF federal funds through the Journal Entry Correction process as described in the Cash Management Section.

Examples of employees that work in the special education program only may include:

- Special Education Teacher
- Special Education Paraprofessional for both K-12 and ECSE
- Special Education Teacher that serves both public and private students (Proportionate Share)

Districts/LEAs have two options for documenting time and effort for employees who work in the special education program only.

- Semi-Annual Certification Form
- Semi-Annual Certification (Alternative) Form

❖ **SEMI-ANNUAL CERTIFICATION FORM**

When using this method, documentation must be completed for each applicable individual employee. A sample of this form is included at the end of this section. The form may also be found at: <http://dese.mo.gov/financial-admin-services/general-federal-guidance>.

The requirements for the “Semi-Annual Certification Form” are as follows:

- Must be prepared semi-annually for the funding period indicated on the form. The funding period is generally a six month time frame or a school semester.
- Must be signed **AFTER** the funding period indicated on the form.
- Must be signed by either the employee or a supervisor having first-hand knowledge of the work performed by the employee.

EXAMPLE	FUNDING PERIOD I	DATE SIGNED	FUNDING PERIOD II	DATE SIGNED
Example I Fiscal Year Dates	07/01/16 - 12/31/16	Signed and dated on 01/01/17 or after by employee or supervisor	01/01/17 - 06/30/17	Signed and dated on 07/01/17 or after by employee or supervisor
Example II School Year Dates	08/15/16 - 12/16/16	Signed and dated on 12/17/16 or after by employee or supervisor	01/04/17 – 05/19/17	Signed and dated on 05/20/17 or after by employee or supervisor

❖ **SEMI-ANNUAL CERTIFICATION (ALTERNATIVE) FORM**

The Special Education Finance Section has approved an alternative method for employees who are required to complete Semi-Annual Certifications. Districts/LEAs who have multiple employees working in the special education program only and are paid any portion of federal funds may compile a list of applicable employees and certify the employees work in the special education program only; in lieu of completing a “Semi-Annual Certification Form” for each employee.

The form for this method of reporting Time and Effort is called “Semi-Annual Certification (Alternative) Form” and is included at the end of this section. The form may also be found at: <http://dese.mo.gov/financial-admin-services/general-federal-guidance>.

The requirements for the Semi-Annual Certification (Alternative) Form are as follows:

- Must be prepared semi-annually for funding period indicated on the form. The funding period is generally a six month time frame or a school semester.
- Must be signed AFTER the funding period indicated on the form.

- Must be signed by a supervisor having first-hand knowledge of the work performed by the employee.

EXAMPLE	FUNDING PERIOD I	DATE SIGNED	FUNDING PERIOD II	DATE SIGNED
Example I Fiscal Year Dates	07/01/16 - 12/31/16	Signed and dated on 01/01/17 or after by employee or supervisor	01/01/17 - 06/30/17	Signed and dated on 07/01/17 or after by employee or supervisor
Example II School Year Dates	08/15/16 - 12/16/16	Signed and dated on 12/17/16 or after by employee or supervisor	01/04/17 – 05/19/17	Signed and dated on 05/20/17 or after by employee or supervisor

EMPLOYEES THAT WORK IN MULTIPLE PROGRAMS

Employees that work in the special education program and any other non-special education programs, also considered to be working in multiple programs, and are paid any amount of IDEA Part B federal funds must document the time and effort spent within the program. It also pertains to employees who work in multiple programs are paid any amount of ECSE federal funds or HNF federal funds through the Journal Entry Correction process as described in the Cash Management Section.

Examples of employees that work in multiple programs may include:

- Paraprofessional for both IDEA Part B and Title I
- Reading Specialist for both IDEA Part B and Title I
- Special Education Teacher and Homeroom Teacher

Districts/LEAs have two options for documenting time and effort for employees who work in multiple programs.

- Time and Effort Logs/Personnel Activity Reports (PARs)
- Substitute System Employee Certification Form

❖ TIME AND EFFORT LOGS / PERSONNEL ACTIVITY REPORTS (PARS)

When using this method, documentation must be completed for each applicable employee on a monthly basis.

The form for this method of reporting Time and Effort is called “Personnel Activity Report (PAR)” and is included at the end of this section. The form may also be found at:

<http://dese.mo.gov/financial-admin-services/general-federal-guidance>.

The requirements for the Time and Effort Logs/Personnel Activity Reports (PARs) are as follows:

- The log must be completed on a monthly basis
- The log must account for the total activities of the employee for all programs, including both the direct and indirect time
- Must be signed after the end of each month

EXAMPLE	FUNDING PERIOD	DATE SIGNED	DATE RECONCILED
Example I	November 2016	Signed and dated on 12/01/16 or after by employee	Salary paid must be reconciled with timesheet on a quarterly basis
Example II	March 2017	Signed and dated on 04/01/17 or after by employee	Salary paid must be reconciled with timesheet on a quarterly basis

The portion of the federally paid salary and benefits must be reflective of the actual time worked on the activity, not the projected time estimated at the beginning of the period. Any discrepancies must be reconciled on a quarterly basis. The district/LEA must reconcile the payroll to the PAR. If there is a discrepancy between the actual times recorded on the PAR compared to the payroll distribution for each program, an additional journal entry must be entered in the general ledger to reflect the actual time worked.

For example, an employee is initially set up to work 50% of the time in special education (paid with IDEA Part B federal funds) and 50% of the time in general education. However, upon reconciliation performed at the end of the quarter, the actual time worked in the special education program ends up being only 40%. The initial journal entry for the salary paid with IDEA Part B federal funds must be corrected in the general ledger to reflect the 40% actual time worked in the special education program as opposed to the initial 50% amount of salary paid with IDEA Part B federal funds.

❖ **SUBSTITUTE SYSTEM EMPLOYEE CERTIFICATION FORM**

An alternative method, called the Substitute System, has been approved for reporting Time and Effort for employees who work on multiple cost objectives, but have a fixed work schedule. The fixed work schedule must indicate the specific activities or cost objectives and account for the total hours an employee is compensated.

In lieu of completing PARs every month, eligible employees may complete a “Substitute System Employee Certification Form” to support the distribution of the work performed in each program or cost objective. However, prior to implementing the Substitute System, the

district/LEA must submit a “Substitute System Management Certification Form” to DESE annually for approval.

The “Substitute System Employee Certification Form” and the “Substitute System Management Certification Form” are included at the end of this section. More information regarding the Substitute System, including the “Substitute System Management Certification Form,” sample fixed work schedules, and a sample “Substitute System Employee Certification Form” may be found at: <http://dese.mo.gov/financial-admin-services/general-federal-guidance>.

The requirements for the “Substitute System Employee Certification Form” for the Substitute System are as follows:

- Must be prepared semi-annually for the funding period indicated on the form. The funding period is generally a six month time frame or a school semester.
- Must be signed after the funding period
- Must be signed by either the employee or a supervisor having first-hand knowledge of the work performed by the employee
- Must attach a copy of the fixed work schedule to the “Substitute System Employee Certification Form”

EXAMPLE	FUNDING PERIOD I	DATE SIGNED	FUNDING PERIOD II	DATE SIGNED
Example I Fiscal Year Dates	07/01/16 - 12/31/16	Signed and dated on 01/01/17 or after by employee or supervisor	01/01/17 - 06/30/17	Signed and dated on 07/01/17 or after by employee or supervisor
Example II School Year Dates	08/15/16 - 12/16/16	Signed and dated on 12/17/16 or after by employee or supervisor	01/04/17 – 05/19/17	Signed and dated on 05/20/17 or after by employee or supervisor

TIME AND EFFORT RESOURCES

A flow sheet to assist the district/LEA in determining the type of Time and Effort documentation to complete for an employee paid with any amount of IDEA Part B federal funds, ECSE federal funds, HNF federal funds, or any other special education federal grants is included at the end of this section.

Time and Effort Reporting Quick Reference Guidelines may found at the end of this section or online at: <http://dese.mo.gov/financial-admin-services/general-federal-guidance>.

STIPENDS/EXTRA DUTY PAY

Stipends/extra duty pay refers to payment for extra work beyond an employee's regular contract. The district/LEA must have written documentation/agreement to support the stipend/extra duty pay prior to the payment of IDEA Part B federal funds. The written documentation/agreement should include:

- The activity/extra work to be performed
- The applicable date(s) of performance
- The amount to be paid to the employee.
- Employee's signature
- Supervisor/official to show acceptance of the terms.

Furthermore, stipends/extra duty pay must be relevant to the federal program if federal funds are being utilized to pay the stipend/extra duty pay. Stipends/extra duty pay may be appropriate for professional development related to special education, a higher level of educational experience, an advanced certification/licensure, extra duties outside of contractual work such as IEP case management or service coordination, tutoring/mentoring special education students, etc. Stipends/extra duty pay may not be used to create salary increases for normal contractual work duties, or for duties unrelated to the special education program (i.e. Special Olympics coach).

A sample stipend/extra duty agreement is included at the end of this section.

MOSIS/CORE DATA CODING

Employees paid entirely or in part with IDEA Part B federal funds must be coded in MOSIS/Core Data with a special education course code and program code. DESE utilizes MOSIS/Core Data as a means to verify employees working in the special education program during the monitoring process. The district/LEA must provide additional documentation (contracts, class schedules, job descriptions, etc.) for employees not coded or coded incorrectly in MOSIS/Core Data. Course codes and program codes for special education may be found at <http://dese.mo.gov/data-system-management/manuals> and are also included at the end of this section.

SEMI-ANNUAL CERTIFICATION

OMB Circular A-87 states “where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having first-hand knowledge of the work performed by the employee.”

I, _____, _____, certify that
(Name) (Title)

100% of my time has been spent performing duties associated with _____
(Federal Program)

for the period of _____.

Employee Signature _____

Date _____

Supervisor Signature _____

Date _____



SUBSTITUTE SYSTEM MANAGEMENT CERTIFICATION FORM

LOCAL EDUCATION AGENCY (LEA) NAME	COUNTY-DISTRICT CODE	SCHOOL YEAR
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GUIDELINES

State educational agencies (SEAs) are authorized to approve local educational agencies (LEAs) to use a substitute system for time-and-effort reporting in accordance with the following guidelines. In permitting an LEA to use the substitute system, the SEA must obtain from the LEA a management certification certifying that only eligible employees will participate in the substitute system and that the system used to document employee work schedules includes sufficient controls to ensure that the schedules are accurate.

System Guidelines

(1) To be eligible to document time and effort under the substitute system, employees must:

- Currently work on a schedule that includes multiple activities or cost objectives that must be supported by monthly personnel activity reports;
- Work on specific activities or cost objectives based on a predetermined schedule; and
- Not work on multiple activities or cost objectives at the exact same time on their schedule.

(2) Under the substitute system, in lieu of personnel activity reports, eligible employees may support a distribution of their salaries and wages through documentation of an established work schedule. An acceptable work schedule may be in a style and format already used by the LEA.

(3) Employee schedules must:

- Indicate the specific activity or cost objective that the employee worked on for each segment of the employee's schedule;
- Account for the total hours for which each employee is compensated during the period reflected on the employee's schedule; and
- Be certified at least semiannually and signed by the employee and a supervisory official having firsthand knowledge of the work performed by the employee.

(4) Any revisions to an employee's established schedule that continue for a prolonged period must be documented and certified in accordance with the requirements in section (3). The effective dates of any changes must be clearly indicated in the documentation provided.

(5) Any significant deviations from an employee's established schedule, that require the employee to work on multiple activities or cost objectives at the exact same time, including but not limited to lengthy, unanticipated schedule changes, must be documented by the employee using a personnel activity report that covers the period during which the deviations occurred.

Submit completed form by email to spedfunding@dese.mo.gov or fax to (573) 526-6898.

Questions: Contact the Division of Financial and Administrative Services at (573) 751-0622.

DISCLOSURE OF KNOWN DEFICIENCIES

DESCRIBE ANY KNOWN DEFICIENCIES WITH IMPLEMENTING THE SUBSTITUTE SYSTEM; OR THE SUBSTITUTE SYSTEM ITSELF (IF APPLICABLE).

CERTIFICATION

I certify that only eligible employees will participate in the substitute system; and that the system used to document employee work schedules includes sufficient controls to ensure accuracy.

SIGNATURE OF SUPERINTENDENT/AUTHORIZED REPRESENTATIVE	PRINTED NAME	DATE
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The Department of Elementary and Secondary Education does not discriminate on the basis of race, color, religion, gender, national origin, age, or disability in its programs and activities. Inquiries related to Department programs and to the location of services, activities, and facilities that are accessible by persons with disabilities may be directed to the Jefferson State Office Building, Office of the General Counsel, Coordinator – Civil Rights Compliance (Title VI/Title IX/504/ADA/Age Act), 6th Floor, 205 Jefferson Street, P.O. Box 480, Jefferson City, MO 65102-0480; telephone number 573-526-4757 or TTY 800-735-2966; email civilrights@dese.mo.gov.

SUBSTITUTE SYSTEM EMPLOYEE CERTIFICATION FORM

Employee Name _____

Title _____

Certification Period _____

Type of Schedule

Daily

Weekly

Bi-Weekly

Other

Program or Cost Objective	Distribution of Time
TOTAL	100%

I certify that I have performed work consistent with the attached schedule and as distributed in the above percentages during the Certification Period.

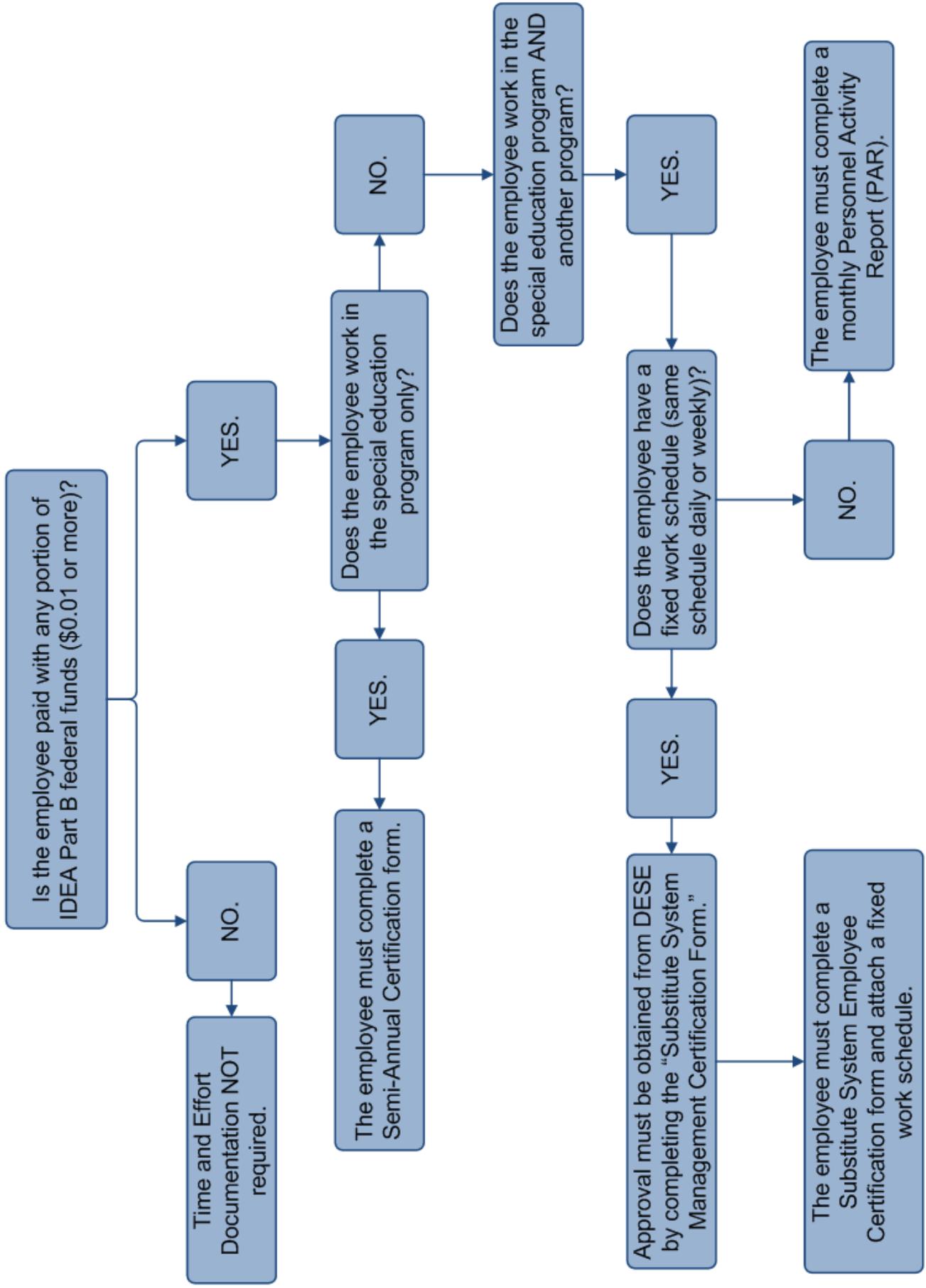
Employee Signature

Date

I certify that I have firsthand knowledge that the above employee performed work consistent with the attached schedule and as distributed in the above percentages during the Certification Period.

Supervisor Signature

Date



OMB Circular A-87
Time and Effort Reporting Quick Reference Guidelines

Cost Objective	Criteria	Documentation Required
Single Cost Objective	<ul style="list-style-type: none"> • Employee works solely on a single Federal award or cost objective 	<p>Semi-Annual Certification</p> <ul style="list-style-type: none"> • Must be prepared at least semi-annually; and • Must be signed after-the-fact by employee or supervisory official having firsthand knowledge of the work performed by the employee.
Multiple Cost Objectives	<ul style="list-style-type: none"> • More than one Federal award; • Federal award & non-Federal award; • Indirect cost activity & direct cost activity; • Two or more indirect activities that are allocated using different allocation bases; • Unallowable activity & a direct or indirect cost activity; or • One Federal award with multiple cost objectives. 	<p>Personnel Activity Report (PAR)</p> <ul style="list-style-type: none"> • Reflect an after-the-fact distribution of the actual activity of the employee; • Account for the total activity for which each employee is compensated; • Be prepared at least monthly & coincide with one or more pay periods; and • Must be signed after-the-fact by the employee. • At least quarterly, the actual time reflected on the PAR must be compared to the payroll charges, and if differences exist, then payroll adjustments must be made.
Multiple Cost Objectives w/ Fixed Schedule (Substitute System)	<ul style="list-style-type: none"> • Currently work on a schedule that includes multiple activities or cost objectives that must be supported by monthly personnel activity reports; • Work on specific activities or cost objectives based on a predetermined schedule; and • Not work on multiple activities or cost objectives at the exact same time on their schedule. 	<p>Substitute System Certification & Fixed Schedule</p> <ul style="list-style-type: none"> • Indicate the specific activity or cost objective that the employee worked on for each segment of the employee's schedule; • Account for the total hours for which each employee is compensated during the period reflected on the employee's schedule; and • Be certified at least semi-annually & signed by the employee & a supervisory official having firsthand knowledge of the work performed by the employee.
Stipend and Extra Duty Pay	<ul style="list-style-type: none"> • Pay for extra work beyond an employee's regular contract 	<p>Written Agreement</p> <ul style="list-style-type: none"> • Indicates the extra work to be performed; • Date(s) of performance; • Amount to be paid to the employee; and • Must be signed by the employer & the employee to show the acceptance of the terms. <p style="text-align: center;">And</p> <p>Semi-Annual Certification or Personnel Activity Report (PAR)</p> <ul style="list-style-type: none"> • See requirements above

Stipend/Extra Duty Agreement

District/LEA Name

Employee Name:	
Campus/Building Name:	
Employee Job Title:	
Stipend Name:	
Stipend Duties:	
School Year:	
Stipend Beginning Date:	
Stipend End Date:	
Stipend Amount:	
Accounting Code:	
Program Funding:	
Payment Frequency:	

District/LEA and the Stipend Recipient agree that the Stipend Recipient, in addition to the duties of his/her regular *District/LEA* assigned position, will carry out the required duties under the authority of the *District/LEA* Board and supervision of the *Principal/Program Administrator* of the stipend.

The Stipend Recipient agrees to act in accordance with all applicable laws and regulations, as well as the terms described above.

This agreement may be terminated by either party with or without cause by providing written notice to the other party. Further, the Stipend Recipient may be removed from their stipend duties at the discretion of the principal or designee prior to the actual termination of this agreement. Termination of this agreement by either party shall not, in itself, constitute cause for termination of any separate teaching or employment contract between the Stipend Recipient and *District/LEA*.

Principal/Originator Signature: _____ Date: _____

Stipend Recipient Signature: _____ Date: _____

SPECIAL EDUCATION COURSE CODES

TEACHING ASSIGNMENTS

COURSE CODE	COURSE NAME	ABBREV	CERTIFICATION
198600	Case Management of IEPs	CASE MGMT	Any sped certification
195700	Community-Based Instruction	COMM BASED	Any sped certification
193000	Consult with Gen/Sped Ed	CONSULT	Any sped certification
195610	Dep. Instr. Communication Arts	DI CA	Any sped certification
195620	Dep. Instr. Mathematics	DI MATH	Any sped certification
195630	Dep. Instr. Science	DI SCIENCE	Any sped certification
195640	Dep. Instr. Social Studies	DI SOC STU	Any sped certification
195400	Direct Services/Inst. ECSE	DSI ECSE	ECSE
195200	Direct Services/Inst. Hearing Impaired	DSI HI	HI Certification
195300	Direct Services/Inst. Severe Dev. Delay	DSI SDD	Any sped certification
195000	Direct Services/Inst. Spec Ed Core	DSI SECORE	Any sped certification
195010	Direct Services/Inst. Spec Ed Non-Core	DSI SENC	Any sped certification
195500	Direct Services/Inst. Speech/Lang Path	DSI SLP	Any sped certification
195100	Direct Services/Inst. Visually Impaired	DSI VI	VI Certification
192000	Extended School Year	ESY	Any sped certification
193100	Testing	TESTING	Any sped certification
195800	Work Experience Instruction	WORK EXP	Any sped certification
086010	Adaptive Physical Education	ADAPT PE	PE or any sped cert.
994020	Life Skills	LIFE SKILL	Any certificate at appropriate grade level

NON TEACHING ASSIGNMENTS

COURSE CODE	COURSE NAME	ABBREV	CERTIFICATION
881900	Special Education Administrator	SP ED ADM	SPEC ED ADMIN
883800	Special Education Process Coordinator	PROC COORD	Any sped certification with graduate degree
887000	School Psychological Examiner	SPE	SPE
887200	School Psychologist	SCH PSYCH	SCHL PSYCH
887400	School Social Worker	SCH SOC WK	Social Work Degree
887600	School Nurse	SCH NURSE	RN Licensure
887900	Other Pupil Personnel	OTH P PER	According to duties
888200	Paraprofessional	PARAPRO	60 College Hours or ParaPro Assessment
889000	Speech/Language Pathology	SP PATH	SPCH/LANG PATH
889100	Audiologist	AUDIOL	Licensure
889200	Educational Diagnostician	DIAGNOS	Any sped certification with graduate degree
889300	Occupational Therapist	OCC THERP	Licensure
889400	Physical Therapists	PHYS THERP	Licensure
889500	Orientation and Mobility Specialist	MOBIL SPEC	ACVRep
889600	Interpreter for the Deaf	INTRP-DEAF	Licensure
889650	Language Translator	LANG TRANS	Approval by Federal Program Staff
889700	School/Home Coordinator	S-H COORD	According to duties

MOSIS/Core Data Program Codes (Screen 20)

<u>Code</u>	<u>Program Name</u>
00	Nonfunded (Used with district-funded [not state or federally assisted] Career Education, Gifted, and Supplemental Programs and with general and pre-career education Family and Consumer Sciences classes)
01	Career Education
02	Career Education Special Needs (Disadvantaged and Handicapped)
03	Title I.A (ESEA/NCLB) – Improving the Academic Achievement of the Disadvantaged
04	Title I.C (ESEA/NCLB) – Education of Migratory Children
06	Special Education - K-12 and kindergarten eligible children remaining in Early Childhood Special Education
07	Early Childhood Development Act - Early Childhood/Parent Education
08	Gifted (Use course code 990808)
09	Special Education - Fiscal agent services provided to other districts
10	Title IV.A (ESEA/NCLB) – Safe and Drug-Free Schools and Communities
13	Consolidated Schoolwide Pool - Federal, State, & Local Funds
14	Homeless Education - (ESEA/NCLB)
16	Juvenile Detention Center
17	Early Childhood Special Education – 3- and 4-year-olds and 5 Pre-K
19	Special Education - Participating district services provided by another district/co-op or contracted services
20	Title II.A (ESEA/NCLB) – Teacher and Principal Training and Recruiting Fund
21	Federal Programs Administrative Pool – (ESEA/NCLB)
25	Child Care Development Fund (CCDF)/School Age Community
26	Title IV.B (ESEA/NCLB) – 21st Century Community Learning Centers (21st CCLC)
27	Missouri Preschool Projects (MPP)
28	Title II.D (ESEA/NCLB) – Enhancing Education Through Technology

- 29 Title III (ESEA/NCLB) – LEP-Limited English Proficient – Language Instruction for Limited English Proficient and Immigrant Students
- 30 Title VI.B, Subpart 1 (ESEA/NCLB) – Small, Rural School Achievement Program (REAP)
- 31 Title VI.B, Subpart 2 (ESEA/NCLB) – Rural and Low-Income School Program
- 32 Title I.B, Subpart 3 (ESEA/NCLB) – Even Start Family Literacy Programs
- 34 Charter Schools – Federally-funded
- 35 Missouri Option Program
- 36 Refugee Children School Impact Program
- 37 Title I.D (ESEA/NCLB) – Delinquent Institution – Prevention and Intervention Programs for Children and Youth Who are Neglected, Delinquent, or At-Risk
- 38 Title II.B (ESEA/NCLB) – Mathematics and Science Partnerships
- 39 Title III (ESEA/NCLB) – Immigrant – Language Instruction for Limited English Proficient and Immigrant Students
- 43 Title I.A Sec. 1003(g) (ESEA/NCLB) – School Improvement Grants (SIG)

EQUIPMENT

OVERVIEW

Equipment is defined as 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 (the federal limit is \$5,000; however, the state has established a limit of \$1,000 and the most restrictive amount between the two has to be used). Acquisition cost is defined as the net invoice price of the equipment, including the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the equipment useable for the purpose for which it was acquired. Other charges, such as the costs of installation, delivery, or taxes, should also be included in the unit acquisition cost.

Prior approval for equipment purchases is required before the obligation of funds can be made for the purchase. Approval may be obtained through the ePeGS Budget Application, "Capital Outlay" page under the Equipment section. Equipment purchases must be coded to object code range 6500 in the general ledger.

Equipment records must be maintained for all equipment purchased using IDEA Part B federal funds. In addition, the district/LEA must follow specific guidelines for the disposal of equipment.

EASILY STOLEN EQUIPMENT

Equipment also includes items with an acquisition cost under \$1,000 per unit which are considered attractive or easily pilfered. This would include items such as laptops, iPads, audio-visual equipment, cell phones, digital cameras, etc.

COMPUTER SOFTWARE

Computer software can be purchased, subscribed to, or internally generated. Computer software paid from the Capital Project Funds would be considered equipment if the following criteria are met:

- Software license that is bought that costs \$5,000 or more
- Internally created software that costs \$5,000 or more

EQUIPMENT RECORDS

Districts/LEAs must meet the following equipment management requirements for all equipment purchased entirely, or in part, with IDEA Part B federal funds. Equipment records, also known as an inventory listing, must be maintained and should include the following components:

- A description of the equipment
- A serial number or other identification number
- The cost of the equipment
- Federal Award Identification Number (FAIN)
- The funding source of equipment
- Percentage of the cost paid with IDEA Part B federal funds
- Who holds the title to the equipment
- The acquisition date
- The location of the equipment (building/classroom/individual)
- Use and condition of the equipment
- Any ultimate disposition data including the date of disposal and sale price

The inventory listing should be **one master list** for the entire district/LEA, not program or building specific. The inventory listing should be updated as equipment is purchased and received. Data should not be deleted for equipment that has been disposed of, but rather kept in archive. A sample equipment inventory log form with all required components is included at the back of this section or may be found at: <http://dese.mo.gov/financial-admin-services/general-federal-guidance>.

All equipment should be tagged and tracked within the inventory listing. The tag should be a physical label that is not easily removable and include the inventory identification number and identified as the property of the special education program. A physical inventory of the equipment must be taken once every two years and the results reconciled with the inventory listing.

In addition, a control system must be in place to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft of equipment shall be investigated. Adequate maintenance procedures must be developed to keep the equipment in good condition.

EQUIPMENT DISPOSITION

When equipment purchased with IDEA Part B federal funds is no longer needed for the special education program, disposition of the equipment will be made as follows:

- 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 DESE.
- Items of equipment with a current per unit fair market value in excess of \$5,000 may be retained or sold. However, if the fair market value is more than \$5,000 the district/LEA must pay DESE a share based on the percentage of costs paid with IDEA Part B federal funds in the initial acquisition and the current fair market value. For example, if IDEA Part B federal funds were used to pay fifty percent (50%) of an equipment purchase, once the item is sold fifty percent (50%) of the current fair market value/proceeds must be paid to DESE.

In cases where the district/LEA fails to take appropriate disposition actions, DESE may direct the district/LEA to take disposition actions.

CAPITAL OUTLAY

OVERVIEW

Capital Outlay is defined as construction, renovation, purchase of real estate, or purchase of vehicles. Construction, renovation, and real estate are considered real property. Capital Outlay for special education purposes is an allowed expenditure under the IDEA Part B federal grant.

Prior approval for Capital Outlay is required before the obligation of funds can be made for the purchase. Approval may be obtained through the ePeGS Budget Application, “Capital Outlay” page under the Non-Equipment section.

All construction and renovation expenditures must comply with the following requirements:

- Uniform Federal Accessibility Standards
<https://www.disability.gov/resource/uniform-federal-accessibility-standards-ufas/>
- Americans With Disabilities Accessibility Guidelines For Building And Facilities
<http://www.ada.gov/>
- Davis-Bacon Wage Rate Provisions
<http://www.dol.gov/whd/contracts/dbra.htm>
- Missouri Minimum Standards For School Buses
<http://dese.mo.gov/financial-admin-services/school-transportation/school-bus-standards>

Capital Outlay must be used for the original approved purpose for as long as it is needed for that purpose. The district/LEA shall not dispose of the capital outlay until disposition approval is obtained by DESE.

CAPITAL OUTLAY DISPOSITION

When Capital Outlay is no longer needed for the original authorized purpose, the district/LEA must request disposition instructions from DESE. The district/LEA will have the following options regarding disposition for vehicles and real property:

❖ **REAL PROPERTY (Construction, Renovation, and Real Estate)**

- **RETENTION OF TITLE:** The district/LEA may retain title to the real property after compensating DESE. The district/LEA must pay DESE a share based on the percentage of costs paid with IDEA Part B federal funds in the initial acquisition and the current fair market value. However, when the district/LEA is replacing real property, the net

proceeds from the disposition may be used to offset the cost of the replacement property.

- **SALE OF PROPERTY:** The district/LEA may sell the property and compensate DESE. The district/LEA must pay DESE a share based on the percentage of costs paid with IDEA Part B federal funds in the initial acquisition and the current fair market value after the deduction of reasonable selling and fixing-up expenses. When a district/LEA sells real property, it should be based on competition to result in the highest possible return.
- **TRANSFER OF TITLE:** Transfer title to DESE for redistribution to other special education programs.

❖ **VEHICLES (Buses, Vans, etc.)**

- Vehicles 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 DESE.
- Vehicles with a current per unit fair market value of more than \$5,000 may be retained or sold. However, in either situation the district/LEA must pay DESE the applicable portion of the current fair market value that can be attributed to the IDEA Part B federal funds as determined in the initial purchase of the vehicle. For example, if IDEA Part B federal funds were used to pay fifty percent (50%) of a bus purchase, once the bus is sold fifty percent (50%) of the current fair market value/proceeds must be paid to DESE.

PROPORTIONATE SHARE

OVERVIEW

Proportionate Share is the portion of IDEA Part B federal funds that must be reserved and spent to provide special education services (equitable 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 and related services by the district/LEA. The district/LEA where a private, parochial, or home school is located is responsible for services, regardless of where the child resides. Kindergarten eligible children aged 5 placed by their parents in a private preschool or daycare does not qualify for proportionate share services. Instead, the district/LEA may use ECSE federal funds to provide services.

Child find activities for parentally placed, private, parochial, and home schooled children should be similar to the activities performed for the public school children of the district/LEA, and completed in a comparable time period.

Equitable services are established through a timely and meaningful consultation process that has occurred with the private, parochial and home schools located within the district/LEA's boundaries. The consultation process determines how services will be provided, where services will be provided, and by whom. Equitable services must be provided in accordance with a services plan. A services plan must describe the specific special education and related services that will be provided. However, equitable services do not have to meet the same standard as the services required for Free and Appropriate Public Education (FAPE) to children enrolled in the public school.

The portion of IDEA Part B federal funds that a district/LEA must reserve or make available for equitable services is based on the Proportionate Share calculation.

PROPORTIONATE SHARE COUNTS/CALCULATION

Proportionate Share is automatically calculated based on the following counts which are reported in either MOSIS/Core Data or in the ePeGS Final Expenditure Report (FER). Estimated Proportionate Share calculations are displayed at the top of the initial IDEA Part B Budget Application and are also located with the IDEA Part B Allocations at <http://dese.mo.gov/financial-admin-services/special-education-finance/part-b-proportionate-share>. Final Proportionate Share amounts are calculated once the prior year FER is submitted and approved. A IDEA Part B Budget Application Revision must be completed and submitted once the prior year IDEA Part B FER is approved in order to be able to budget final Proportionate Share amounts.

❖ MOSIS/CORE DATA REPORTED COUNTS

- **Private and home schooled eligible and served children (ages 5-21):** This count is populated from the MOSIS December Student Core/Core Data Screen 11 (December 1st Child Count) using the educational environment of “2100-Parentally Placed Private.” The count will only include private school and home schooled children eligible and served with an educational environment code of 2100 as of December 1st each year. Districts/LEAs will not be able to change this data in the FER. Any changes necessary will need to be made through MOSIS/Core Data.
- **Public school eligible and served children (ages 5-21):** This count is populated from MOSIS/Core Data. It includes public school children eligible and served based on students coded in MOSIS/Core Data from Screen 11. If this count is not accurate, the district/LEA must correct the December cycle in MOSIS/Core Data.

❖ EPEGS FER REPORTED COUNTS

- **Private and home schooled eligible and served children (ages 5-21) after December 1:** This count is entered by the district/LEA and includes the number of private and/or home schooled children that were eligible and served but not included in the December 1 child count above.
- **Private schooled children eligible but not served (ages 5-21):** This count is entered by the district/LEA and includes children in private/parochial schools who have been identified for special education services, but did not receive services during the school year (e.g. declined services, moved into the district/LEA outside of the counting period, etc.).
- **Home schooled eligible children but not served (ages 5-21):** This count is entered by the district/LEA and includes children being home schooled who have been identified for special education, but did not receive services during the school year.
- **Public school children eligible but not served (ages 5-21):** This count is entered by the district/LEA and includes children in public schools who have been identified for special education services, but did not receive services during the school year (e.g. declined services, moved into the district/LEA outside of the counting period, etc.).

NOTE: Children attending for-profit private schools would not be included in the Proportionate Share calculation or be eligible for equitable services.

Districts/LEA may also use the Proportionate Share Calculation Worksheet located at: <http://dese.mo.gov/financial-admin-services/special-education-finance/part-b-proportionate-share> to calculate a Proportionate Share obligation amount.

SPENDING PROPORTIONATE SHARE FUNDS

Proportionate Share funds are not additional funds that the district/LEA may spend to provide special education services to parentally placed private, parochial, or home schooled students with disabilities, but rather Proportionate Share funds are part of or are included in the district/LEA's IDEA Part B federal allocation.

Proportionate Share funds may not be paid directly to the private, parochial, or home school.

The Proportionate Share funds should be distributed to the private/parochial schools based on the specific needs of the students that are eligible for services. For example, the district/LEA may not take the Proportionate Share funds and simply split it evenly among the private, parochial, and home schooled students located in the district/LEA's boundaries but rather should be determined through the child find and consultation process.

The provision of services, equipment, and personnel onsite at a student's private school is prohibited, unless the services are provided at a neutral site. If the district/LEA utilizes Proportionate Share funds to purchase supplies or equipment for a parentally placed private, parochial, or home schooled student with a disability, the district/LEA must keep title to and exercise administrative control over the supplies or equipment.

The district/LEA may have employed staff or contractors provide services or training at the public school or at a neutral site. The district/LEA may provide transportation for students to receive Proportionate Share services.

If Proportionate Share funds are used to purchase equipment and/or supplies, the district/LEA must keep title and retain control over the equipment and/or supplies.

Child find and evaluation costs for students with a services plan may not be charged to the Proportionate Share amount of funds but may be charged to regular IDEA Part B federal funds (coded under function code 1221 in the general ledger).

In addition, the district/LEA cannot simply report on the FER grid in ePeGS that the entire Proportionate Share obligation was expended. The district/LEA must track the special education services provided to parentally placed private, parochial and home schooled children with disabilities in the general ledger.

TRACKING PROPORTIONATE SHARE EXPENDITURES

Proportionate Share expenditures must be tracked utilizing separate function codes (1224 and 2557) in the general ledger in order to determine if the district/LEA has met the required obligation. The district/LEA must code salary and/or benefits or a prorated portion of salary and/or benefits (discussed in further detail below) of any district/LEA staff providing Proportionate Share services in the general ledger under function code 1224. Any Proportionate Share expenditures such as contracted therapy, equipment, etc. should also be coded under function code 1224. Transportation of parentally placed private, parochial, and home schooled students with disabilities for purposes of receiving services should be coded

under function code 2557 in the general ledger. In addition to tracking Proportionate Share expenditures by function code, the district/LEA must also use a project/source code (“41”) to track the Proportionate Share expenditures paid with IDEA Part B federal funds.

A district/LEA may spend more than the Proportionate Share obligation on providing services to parentally placed private, parochial, and home schooled students with disabilities, as long as the district/LEA meets all the other federal requirements of IDEA. Any additional IDEA Part B federal funds spent (above and beyond the Proportionate Share calculation/obligation) should be reported on the FER grid under function code 1224 and/or 2557, and any expenditures paid with state and/or local funds (above and beyond the federal Proportionate Share calculation/obligation) should be reported on the MOE grid(s) under function code 1224 and/or 2557. Expenditures paid with state and/or local funds should also be tracked using a separate project/source code (i.e. “03” and/or “01”).

State and local funds may be spent to supplement (in addition to) and in no case supplant (replace) the Proportionate Share amount of IDEA Part B federal funds required to be expended for parentally placed private, parochial, or home schooled students with disabilities. This means the district/LEA must spend **ALL** federal Proportionate Share funds prior to utilizing state and/or local funding sources for providing Proportionate Share services.

A sample Proportionate Share Services log is included at the end of this section to further assist districts/LEAs with tracking Proportionate Share expenditures. A blank Proportionate Share Services log can be found at: <http://dese.mo.gov/financial-admin-services/special-education-finance/part-b-proportionate-share>.

PRORATING PROPORTIONATE SHARE EXPENDITURES

The district/LEA must prorate the salary and/or benefits for any personnel providing services to both public school students and services to private, parochial, or home schooled students. Salaries and/or benefits may be prorated based on head counts or caseload minutes. Regardless of which method the district/LEA chooses to utilize, documentation to indicate how the Proportionate Share costs were prorated (calculated) must be maintained. The proration method should be rational, reasonable, and consistent. Below are a few examples the district/LEA may use to prorate costs.

EXAMPLE I: HEAD COUNTS

$$\frac{\text{Private Special Education Students Served by the Teacher}}{\text{Total (Private and Public) Special Education Students Served by the Teacher}} \times \text{Teacher's Salary and Benefits} = \text{Teacher's Prorated Proportionate Share Salary and Benefits}$$

EXAMPLE II: CASELOAD MINUTES

$$\frac{\text{Total Minutes Spent with Private Special Education Students by the Teacher}}{\text{Total Minutes Spent with (Private and Public) Special Education Students by the Teacher}} \times \text{Teacher's Salary and Benefits} = \text{Teacher's Prorated Proportionate Share Salary and Benefits}$$

PROPORTIONATE SHARE DOCUMENTATION

The district/LEA must maintain the following documentation to support Proportionate Share expenditures.

- Student Roster (to include student name, name of private/parochial school, date of evaluation, date services started, type of services being provided, location of services, name of personnel providing services, number of service minutes, and prorated costs)
- Home School Declarations
- Service Plans
- Evaluations
- Consultation Records
- Documentation of Refused Services
- Mileage
- Documentation of Equipment (i.e. title, inventory tracking)

PROPORTIONATE SHARE CARRYOVER FUNDS

If a district/LEA has not expended all of the calculated Proportionate Share funds by the end of the grant cycle, the district/LEA must obligate the remaining funds for special education and related services during a carryover period of one additional year. When reporting expenditures on the IDEA Part B FER, the district/LEA must leave any unspent Proportionate Share funds to carryover to the next fiscal year. Once the prior year FER is approved, a current year budget revision must be created to obligate the Proportionate Share carryover funds. Carryover funds must be expended first before any of the current year calculation is expended (First-in, First-out).

If the district/LEA cannot completely spend the carryover funds during the second year, the district/LEA may request a release of the unspent carryover funds only if the current year expenditures for Proportionate Share are less than the carryover amount. If the current year expenditures for Proportionate Share are equal to or greater than the carryover amount, the district/LEA may NOT request a release of any carryover funds.

EXAMPLE I: FUNDS CAN BE RELEASED

Carryover Amount (prior year)	\$50,000
<u>Minus Estimated Current Year Expenditures</u>	<u>-\$30,000</u>
Amount To Be Released	\$20,000

EXAMPLE II: FUNDS CAN NOT BE RELEASED

Carryover Amount (prior year)	\$50,000
<u>Minus Estimated Current Year Expenditures</u>	<u>-\$60,000</u>
Amount To Be Released	(\$10,000) <i>*No Funds Available</i>

Allowable reasons for releasing unspent Proportionate Share funds include:

- Parents of Private, Parochial, or Home Schooled Students Refused Services
- Student Aged-Out or Graduated from Private, Parochial, or Home School
- Student No Longer Attends Private, Parochial, or Home School
- Proportionate Share Carryover Funds Exceeded the Amount Needed for Services Provided

Released Proportionate Share carryover funds may be spent on public school students with disabilities. Once the Proportionate Share carryover release request is approved, the district/LEA will need to complete a budget revision to move the unspent Proportionate Share carryover funds out of function code 1224 and/or 2557 and into another function code on the budget grid.

The Proportionate Share requirement does not apply to Charter Schools or Early Childhood Special Education (ECSE).

Additional information regarding Proportionate Share funds and expenditure guidance, including Proportionate Share FAQs, may be found at <http://dese.mo.gov/financial-admin-services/special-education-finance/part-b-proportionate-share>.

EARLY CHILDHOOD SPECIAL EDUCATION (ECSE)

OVERVIEW

Early Childhood Special Education (ECSE) provides FAPE to three, four, and five year old children with disabilities as mandated by both state and federal law. ECSE consists of three primary funding sources: state appropriated funds, federal IDEA Part B Section 619 funds, and federal IDEA Part B Section 611 funds. Information about program requirements and allowable expenditures may be found at: <http://dese.mo.gov/financial-admin-services/special-education-finance/early-childhood-special-education-finance>.

TRACKING ECSE EXPENDITURES

Districts/LEAs are reimbursed for ECSE expenditures based off amounts reported in the Annual Secretary of the Board Report (ASBR). Districts/LEAs must track all ECSE expenditures through function codes 1281 and 2559 in the general ledger and ASBR in order to receive reimbursement through the program.

SPECIAL EDUCATION FUNCTION CODE DESCRIPTION	FUNCTION CODE
All other ECSE Services	1281
ECSE Transportation	2559

TRACKING ECSE FEDERAL EXPENDITURES

As described in the Funding Basics section of this guide, any federal funds expended within the ECSE program must be tracked separately from other funding sources. The district/LEA must identify federal ECSE expenditures by using a project/source code attached to the end of the accounting structure, even though the reimbursement is BASED on prior year expenditures. The district/LEA cannot open the prior year general ledger to tie these federal funds to prior year expenditures. Therefore, in order to comply with CMIA requirements the district/LEA must tie the federal ECSE reimbursements to ECSE expenditures in the current year general ledger.

The numbers used for project/source codes may be selected at the discretion of the district/LEA; however it is recommended that the district/LEA use the last two digits of the revenue code for federal funds (i.e. IDEA Part B federal "41", ECSE federal "42", HNF federal "37", etc.). The district/LEA must utilize a different project/source code for tracking expenditures paid with ECSE federal funds than what is used for tracking expenditures paid with IDEA Part B federal funds since IDEA Part B federal payments are based on queried requests and ECSE federal payments are automatically paid based on equal distributions.

CODING ECSE FEDERAL EXPENDITURES

Districts/LEAs are limited in the options for coding ECSE federal expenditures given federal payments are generally not known beforehand. While DESE tries to estimate the amount of federal payments at the beginning of each fiscal year, this amount is subject to change dependent on the total program costs and amount of state funding available. Therefore, the best coding option for ECSE federal expenditures is Option 2: Journal Entry Correction method.

As described in the Cash Management Section, the district/LEA should initially code the expenditure as a non-federal ECSE expense (i.e. paid with state "03" or local "01" revenue). The district/LEA may automatically receive an ECSE federal payment. If the district/LEA receives the payment of ECSE federal funds, the district/LEA must complete a Journal Entry Correction to recode the expenditure as a federal ECSE expense using a project/source code (i.e. "42"). The Journal Entry Correction must be completed within three business days of the receipt of ECSE federal funds. An example of the Journal Entry Correction option is shown below.

Step 1:

Incur Expenditure and Code to Non-Federal Account in the General Ledger

1281-6311-03	\$5,000.00	10/10/16
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Step 2:

Receive Federal Funds in School Payment Transmittal

Payment Transmittal	\$5,000.00	11/21/16
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Step 3:

Journal Entry Correction to Recode to ECSE Federal Account ("42") within 3 Days

1281-6311-03	-\$5,000.00	
1281-6311-42	\$5,000.00	11/23/16

To ensure compliance with CMIA requirements, expenditures coded in the general ledger as being paid with ECSE federal funds ("42") must equal the amount of ECSE federal revenue received, not only on a monthly basis but at the end of the fiscal year as well. For example, if a district/LEA receives a total of \$20,000 in ECSE federal revenue during the 2016-17 school year, a total of \$20,000 in 1281 and/or 2559 expenditures must be coded in the 2016-17 fiscal year general ledger with a "42" project/source code.

In addition, when the Journal Entry Correction method is utilized, the district/LEA must do the following:

- For payroll, ensure all staff completes the appropriate time and effort paperwork because the district/LEA has now paid ECSE federal funds to staff due to the Journal Entry Correction. DESE recommends applying ECSE federal reimbursements to salaries and/or benefits as this option has less federal requirements.
- For equipment, ensure all inventory requirements are met if the expenditure meets the applicable thresholds because equipment has now been purchased with ECSE federal funds due to the Journal Entry Correction.
- For purchased services, ensure all procurement guidelines and obligation of funds were followed prior to making the Journal Entry Correction.

COORDINATED EARLY INTERVENING SERVICE (CEIS)

OVERVIEW

Districts/LEAs may use up to fifteen (15) percent of the IDEA Part B federal allocation for Coordinated Early Intervening Service (CEIS). CEIS is applicable to students in kindergarten through grade twelve (12) who have not been identified as needing special education services, but are in need of additional academic and/or behavioral supports to succeed in the general education environment. The federal regulations recommend particular emphasis on students in kindergarten through grade three.

The rationale for using IDEA Part B federal funds for CEIS is based on research showing that the earlier a child's learning problems are identified the more quickly and effectively the problems and difficulties can be addressed. CEIS interventions can also reduce the number of students being referred to special education programs.

USE OF CEIS FUNDS

The use of IDEA Part B federal funds for CEIS is optional unless a district/LEA has a compliance finding of significant disproportionality. Districts/LEAs will be notified by DESE if such a finding occurs. If a district/LEA chooses to use CEIS funds for services to non-identified children who need academic and behavioral support, it must ensure that CEIS funds are used for one or more of the following three purposes:

- To provide professional development to educators who are solely responsible for students without IEPs needing additional academic and/or behavioral support to succeed in a general education environment;
- To provide direct interventions to students without IEPs, such as the services of a reading teacher or behavior specialist, or materials and supplies directly related to those services or interventions; and
- To provide services in addition to (supplement) activities funded under the ESEA, such as Title I or Title III activities (i.e. the district/LEA can use IDEA Part B federal funds to supplement the Federal Title I funds by expanding the after-school tutoring program by hiring additional teachers to serve additional numbers of students, expanding services to other schools in the district/LEA, and/or providing services in the morning as well as the afternoon).

Additional information regarding Allowable Costs for IDEA Part B federal funds for CEIS may be found at <http://dese.mo.gov/financial-admin-services/special-education-finance/coordinated-early-intervening-services>.

TRACKING CEIS FUNDS

The CEIS available amount (current year amount and carryover amount) is automatically calculated in the ePeGS Budget Application Grid Page. All CEIS expenditures must be tracked utilizing a separate function code (1223) in the general ledger in order to determine if the expenditures applied to the CEIS amount and to ensure the district/LEA has not used more than fifteen (15) percent of the IDEA Part B federal allocation. In addition to tracking CEIS expenditures by function code, the district/LEA must also use a project/source code (“41”) to track the CEIS paid with IDEA Part B federal funds.

Districts/LEAs using IDEA Part B federal funds for CEIS must submit expenditure and student data information to DESE through the IDEA Part B Final Expenditure Report (FER) in ePeGS.

MAINTENANCE OF EFFORT (MOE)

OVERVIEW

Maintenance of Effort (MOE) is the amount of **state and/or local** revenue a district/LEA spends on the special education program. Maintenance of Effort includes all direct expenditures spent on special education and related services from state and/or local revenue. There are two standards that must be met to comply with MOE requirements; the eligibility standard and the compliance standard. In order to determine compliance with these standards, districts/LEAs must account for expenditures paid from federal revenue, state revenue, and local revenue separately.

MOE STATE AND LOCAL REVENUE

State and local revenue specifically for the special education program is not paid to the district/LEA as a separate line item in the monthly payment transmittal. Therefore, districts/LEAs must determine the amount of funding, from all state and local revenue sources, that is expended towards the special education program in order to meet MOE requirements and to provide FAPE. Local funding sources generally start with a revenue code of “51” or “52”, and state funding sources generally start with a revenue code of “53” on the monthly payment transmittal/audit confirmation report. The district/LEA must decide the amount of state revenue and/or local revenue to put towards the special education program.

CODING MOE EXPENDITURES

As mentioned in the Funding Basics section, the district/LEA must track all special education program expenditures (ECSE and K-12) made from federal revenue, state revenue, and local revenue separately by using project/source codes. The special education program expenditures paid with state revenue and local revenue count towards the district/LEA’s MOE. The specific numbers used for project/source codes for expenditures paid from state and local revenue may be selected at the discretion of the district/LEA. There only needs to be one project/source code to identify all state revenue sources (i.e. state aid, ECSE state revenue, etc.). There only needs to be one project/source code to identify all local revenue sources (i.e. proposition C, local tax, etc). Below are examples of how to code expenditures in the general ledger paid with state and local revenue sources with project/source codes.

METHOD	DESCRIPTION	EXAMPLE
Project/Source Code	Special education expenditures paid with basic state aid funding source.	Function-Object-Source 1221 – 6100 – 03
Project/Source Code	Special education expenditures paid with ECSE state funding source.	Function-Object-Source 1281 – 6100 – 03

Project/Source Code	Special education expenditures paid with local tax funding source.	Function-Object-Source 1221 – 6100 – 01
Project/Source Code	Special education expenditures paid with prop C local funding source.	Function-Object-Source 1221 – 6100 – 01

MOE ELIGIBILITY STANDARD

The eligibility standard indicates that in order for a district/LEA to be eligible for IDEA Part B federal funds in the upcoming year, the district/LEA must develop a budget that demonstrates the district/LEA intends to maintain or increase the amount of local, or state and local funds combined, it spends for the education of children with disabilities when compared to the required MOE amount in the most recent fiscal year for which information is available. Compliance with the eligibility standard is demonstrated during the Budget Application process. Since districts/LEAs do not have the prior year MOE finalized at the time the Budget Application is due, the most recent fiscal year for which information is available would be two fiscal years ago. During the budgeting process, the district/LEA has the opportunity to take into account any reductions to MOE that may have occurred the past two years. These reductions are called exceptions and adjustments and are described in further detail later in this section. See the chart below for further clarification on the comparison years.

BUDGETED AMOUNTS	COMPARED TO
FY17 MOE Budgeted Amounts	FY15 MOE Actual Amounts
FY18 MOE Budgeted Amounts	FY16 MOE Actual Amounts
FY19 MOE Budgeted Amounts	FY17 MOE Actual Amounts

In order to determine if the district/LEA meets the eligibility standard, four MOE tests (described further in the MOE Tests section) are applied to the budgeted expenditures, and the district/LEA must pass one or more of the tests. If the district/LEA fails to pass any of the tests and meet the eligibility standard, the district/LEA will not be eligible for the IDEA Part B federal grant for the upcoming school year.

MOE COMPLIANCE STANDARD

The compliance standard indicates that the district/LEA must maintain or increase the amount of local funds, or state and local funds combined, it actually spent for the education of children with disabilities when compared to the required level from all prior fiscal years. Compliance with the compliance standard is demonstrated during the FER process. The district/LEA has the opportunity to take into account any reductions to MOE that may have occurred during the fiscal year. These reductions are called exceptions and adjustments and are described in further detail later in this section. See the chart below for further clarification on the comparison years.

FER AMOUNTS	COMPARED TO:
FY16 MOE Actual Amounts	All Prior Fiscal Years
FY17 MOE Actual Amounts	All Prior Fiscal Years
FY18 MOE Actual Amounts	All Prior Fiscal Years

In order to determine if the district/LEA meets the compliance standard, four MOE tests (described further in the MOE Tests section) are applied to the actual expenditures, and the district/LEA must pass one or more of the tests. If the district/LEA fails to pass any of the tests and meet the compliance standard, the district/LEA must pay an amount from non-federal sources equal to the amount by which the district/LEA failed to meet the compliance standard. The amount of the failure or the amount to be repaid is the smallest amount generated from the four MOE tests.

MOE TESTS

For both the eligibility and the compliance standards, the district/LEA must meet only one of the following methods/tests.

MOE METHODS	DESCRIPTION
State and Local Expenditures Combined	The combined method takes the total expenditures from both state and local funding sources as the MOE threshold.
Per Capita (per child) Amount of State and Local Expenditures Combined	The per capita method takes the total expenditures from both state and local funding sources divided by the child count as the MOE threshold.
Local Expenditures Only	The local only method takes the expenditures from local sources only as the MOE threshold.
Per Capita (per child) Amount of Local Expenditures Only	The per capital method takes the expenditures from local sources only divided by the child count as the MOE threshold.

MOE CALCULATION

In calculating MOE, the district/LEA must **ONLY** include special education expenditures paid with state and/or local funds. The district/LEA must include all expenditures directly related to the special education program (ECSE and K-12) in the MOE calculation. The MOE calculation does **NOT** include any expenditure(s) paid with federal revenue (IDEA Part B

federal, ECSE federal, HNF federal, Assistive Technology federal, Medicaid, etc.). According to the Missouri Accounting Manual, expenditures paid for Local Tax Effort (LTE) and Medicaid Billing fees should not be coded to special education function codes, and therefore would NOT be included in the MOE calculation.

Only expenditures geared specifically towards special education are required to be counted towards MOE. The district/LEA may choose to include a prorated portion of other expenses, such as: Operation of Plant, Ancillary (e.g. nurse or counselor), transportation, etc. However, once these types of expenditures are included in the MOE calculation, the district/LEA must continue to include these expenditures in the MOE calculation from year to year.

It should not be necessary for the district/LEA to manually “calculate” MOE. Nor should it be necessary for the district/LEA to utilize a spreadsheet to “calculate” the district/LEA’s MOE. Instead, the accounting system should be utilized to calculate the district/LEA’s MOE. This can be done by performing an account query within the accounting system for all project/source codes being utilized by the district/LEA for tracking special education program expenditures.

❖ MOE CALCULATION BY ACCOUNT QUERY

The district/LEA’s accounting system should be utilized to calculate MOE. As long as the district/LEA is utilizing the special education program specific function codes and is tracking all special education program expenditures paid with federal revenue, state revenue, and local revenue separately in the general ledger with a project/source code (as described in the Funding Basics section), an account query within the accounting system can be performed. The reports can then be utilized to complete the FER grid, the MOE-State Only grid, and the MOE-Local Only grid in ePeGS. The table below illustrates where expenditures would be reported in ePeGS based upon which revenue source paid the expenditure.

Project/Source Code Account Query	Report Expenditures in ePeGs on...
IDEA Part B federal funds (41)	FER grid
ECSE federal revenue (42)	Not reported in ePeGS
HNF federal revenue (37)	Not reported in ePeGS
Assistive Technology federal revenue (30)	Not reported in ePeGS
Medicaid revenue (xx)	Not reported in ePeGS
State revenue (03)	MOE-State Only grid
Local revenue (01)	MOE-Local Only grid

As indicated in the Allowable Use of Funds section, all documentation of expenditures must match, including the FER and MOE grids, the general ledger, and the Annual Secretary of the Board Report (ASBR). By performing an account query within the accounting system and utilizing the reports generated, the district/LEA can ensure the expenditures reported in the FER grid, the MOE-State Only grid, and the MOE-Local Only grid, match the special education program expenditures coded in the district/LEA’s general ledger and the ASBR.

The only exceptions where differences may exist when comparing the ASBR amounts to the amounts reported on the FER and MOE grids include the following:

- Special education expenditures paid with ECSE federal funds, HNF federal funds, Assistive Technology federal grants, etc. will be reported in the ASBR, but not in the FER or MOE grids.
- Expenditures reported under function codes 2200 and 4000 on the ASBR are part of the comparison even though the expenditures may not be specific to the special education program.

The district/LEA must enter a comment on the MOE Step 6 (comparison page) to address the bulleted items above if applicable.

Specific guidance for calculating MOE for cooperatives and member districts/LEAs may be found at <http://dese.mo.gov/financial-admin-services/special-education-finance/cooperatives>.

MEETING MOE

If the district/LEA chooses not to budget/ expend state funds and meet the standards based on local expenditures only, then the district/LEA must ensure it receives enough local revenue to support the MOE threshold. The district/LEA may be required to provide supporting auditable data to verify that only local revenue was used to meet MOE.

If the district/LEA chooses not to budget/ expend local funds and meet the standards based on the state and local expenditure combination, then the district/LEA must ensure it receives enough state revenue to support the MOE threshold. The district/LEA may be required to provide supporting auditable data to verify that only state revenue was used to meet MOE.

A district/LEA is not required to use the same method to meet the standards each year, nor is the district/LEA required to use the same method in meeting the compliance standard as was used in meeting the eligibility standard.

If the district/LEA is not meeting MOE, the district/LEA should consider whether an allowable reduction to MOE is applicable.

MOE REDUCTIONS

To reduce MOE means to spend less in the current year from state and/or local funds than what was expended in the prior fiscal years. MOE can be reduced through two means; exceptions and adjustments. An exception is an allowable reason permitted by IDEA Part B federal regulations to reduce the MOE threshold. An adjustment is a calculated reduction based on an influx of IDEA Part B federal funds. Exceptions and adjustments are described in further detail below. There are no other means allowed by IDEA Part B federal regulations to reduce the MOE threshold.

❖ **EXCEPTIONS**

There are five exceptions that allow a district/LEA to reduce MOE. In order for an exception to apply, the cost being reduced must have been paid with state and/or local funds. If the cost was paid with IDEA Part B federal funds, the district/LEA cannot claim a MOE Exception.

Below is a list of the allowable exceptions and corresponding allowable and unallowable reasons. Reporting allowable exceptions to meet the eligibility standard during the budgeting process is optional, but districts/LEAs are required to report exceptions during the FER process to meet the compliance standard.

EXCEPTIONS	REASONS
<p>EXCEPTION 1: The voluntary departure, by retirement or otherwise, or departure for just cause, of special education or related services personnel.</p>	<p>Allowable Reasons:</p> <ul style="list-style-type: none"> • Dismissal for misconduct • Dismissal for breach of contract • Retirement • Resignation • Employee does not renew contract • Leave of absence (employee elected) • Not filling vacant positions • Filling vacant positions with lower paid staff <p>Unallowable Reasons:</p> <ul style="list-style-type: none"> • Forced transfer • Reduction in force (RIF) • Layoffs • Eliminating positions • Leave of absence (due to disciplinary action) • Across the board reductions • Dismissal or district/LEA not renewing contract
<p>EXCEPTION 2: A decrease in the enrollment of children with disabilities.</p>	<p>Allowable Reasons: A decrease in child count must be tied to specific special education expenditures paid with state and/or local funds. The district/LEA must describe the type and cost of the specific services that were reduced/consolidated due to a decrease in the child count.</p> <p>Unallowable Reasons: A decrease in child count that does not cause a reduction/consolidation of costs or the reduction/consolidation of costs cannot be tied to a specific special education cost reduction.</p>

<p>EXCEPTION 3: The termination of a costly obligation (expenditure) for a specific child with an IEP that is paid with state and/or local funds.</p> <p><small>*Definition of Exceptionally Costly Program: Any personal services (personal teacher, paraprofessional, nurse) a child needs, low-incidence therapies, individualized transportation/equipment, or contracted private services.</small></p>	<p>Allowable Reasons: Any personal services (i.e. personal teacher, personal paraprofessional, personal nurse, therapies, transportation, contracted services) necessary for a child with an IEP, that is no longer needed due to one of the following reasons:</p> <ul style="list-style-type: none"> • Student has left the jurisdiction of the district/LEA <ul style="list-style-type: none"> ○ Moved out of the district/LEA ○ Transferred to Missouri Schools for the Severely Disabled (MSSD) ○ Withdrew enrollment • Student has reached the age of no FAPE <ul style="list-style-type: none"> ○ Graduated ○ Turned 21 years of age • Student no longer needs the program of special education due to: <ul style="list-style-type: none"> ○ Improvement ○ Changes in the IEP <p>Unallowable Reasons: A costly obligation for a child that does not decrease between the prior and current school years.</p>
<p>EXCEPTION 4: The termination of a costly obligation for long-term purchases (i.e. equipment, construction, buses) paid with state and/or local funds.</p> <p><small>*Definition of Long Term: one school year.</small></p>	<p>Allowable Reasons:</p> <ul style="list-style-type: none"> • Pay-off of a lease/purchase (bus) • Pay-off of a lease/purchase (modular/facility) • Completion of a contracted service • Equipment purchase pay-off • Loan pay-off • Completion of a rent-to-own agreement <p>Unallowable Reasons:</p> <ul style="list-style-type: none"> • Changes in expenses/fees from a cooperative fiscal agent
<p>EXCEPTION 5: The assumption of cost by the High Need Fund (HNF).</p> <p><small>* The district/LEA is receiving additional federal funds to spend on special education program during the school year, so the assumption is that less state and/or local funds are needed to fund the special education program. Therefore the district/LEA may claim the amount of HNF federal funds received in that school year as an allowable reduction to MOE.</small></p>	<p>Allowable Reasons: The district/LEA may reduce the MOE amount by the <u>federal</u> amount of HNF revenue received in that school year.</p> <p>Unallowable Reasons: The district/LEA receives only state HNF revenue in that school year.</p>

Additional guidance regarding MOE Allowable Exceptions, including specific examples of allowable and unallowable exceptions, may be found at:

<http://dese.mo.gov/sites/default/files/sef-MOE-AllowableExceptions.pdf>.

❖ ADJUSTMENTS:

In the event that a district/LEA has an increase in the IDEA Part B federal allocation from one year to the next, the district/LEA has the opportunity to adjust/reduce the MOE amount by 50% of the increase. If the district/LEA is receiving more IDEA Part B federal funds, the district/LEA does not have to spend as much in state and/or local funds. However, if the district/LEA expends any IDEA Part B federal funds towards CEIS activities, the increase is limited by the amount of CEIS funds expended. If the district/LEA has a compliance determination of “Needs Assistance”, the district/LEA may not take an adjustment to MOE.

If a district/LEA is eligible for a MOE adjustment, the district/LEA may take a portion or all of the MOE adjustment. The MOE adjustment must be taken in the year of the IDEA Part B federal allocation increase.

If the district/LEA takes advantage of the adjustment, with or without a CEIS limitation, any state and/or local funds that are no longer dedicated to special education must be spent on activities authorized under the Elementary and Secondary Education Act (ESEA). These activities include:

- Title I – Improving the Academic Achievement of the Disadvantaged
- Title II – Preparing, Recruiting and Training High Quality Teachers and Principals
- Title III – Language Instruction for Limited English Proficient and Immigrant Students
- Title IV – 21st Century Schools
- Title V – Promoting Informed Parental Choice and Innovative Programs
- TITLE VI – Flexibility and Accountability
- TITLE VII – Indian, Native Hawaiian, and Alaska Native Education
- TITLE VIII – Impact Aid

The district/LEA must track in the general ledger how the district/LEA spent the freed-up state and/or local revenue on ESEA activities by utilizing separate project/source codes that are not being utilized elsewhere in the general ledger. For example, if the district/LEA is utilizing a “03” to track special education program expenditures paid with state revenue, the district/LEA must utilize a separate project/source code, such as “20,” to track the freed-up state revenue spent on ESEA activities.

Additional guidance regarding MOE Adjustments may be found at:

<http://dese.mo.gov/sites/default/files/sef-MOE-AdjustmentGuidance.pdf>.

MOE PLANNING

The special education director or another individual familiar with MOE requirements should be involved in the approval of all special education expenditures since the expenditures could potentially have an impact on the district/LEA's MOE. Throughout the school year, districts/LEAs are encouraged to keep in mind and consider situations that may impact MOE, whether from a negative or positive standpoint. See the scenarios below on how to plan for MOE.

SCENARIO I:

A district/LEA may reduce the MOE threshold due to the voluntary departure (i.e. retirement, resignation) of special education staff. However, this exception may only be utilized if the staff were paid with state or local funds in the prior year; it may not be utilized if the staff were paid with federal funds. So, if the district/LEA is aware of a teacher that is retiring in the 2017-18 school year and that teacher is being paid with federal funds, the district/LEA may want to consider switching the funding source of the teacher to state and/or local funds this year (2016-17) so the district/LEA can reduce the MOE threshold in the 2017-18 school year.

SCENARIO II:

A district/LEA may also reduce the MOE threshold due to the termination of an obligation provided to a particular child with a disability that is determined as an exceptionally costly program (i.e. contracted private services) because the child has left the jurisdiction, has reached the age of no FAPE, or the child no longer needs the special education program. As was the case with the previous exception, this exception may only be utilized if the district/LEA paid the expenditure with state or local funds in the prior year; it may not be utilized if the expenditure was paid with federal funds. Therefore, if a district/LEA has a child who meets this criteria that will be graduating or turning 21 years of age in the 2017-18 school year, the district/LEA may want to consider switching the funding source of the costly expenditure to state and/or local funds this year (2016-17) so the district/LEA can reduce the MOE threshold in the 2017-18 school year.

SCENARIO III:

A garage door needs replaced in the school bus barn in the 2016-17 school year. Because all students utilize the buses, the district/LEA is considering whether to charge a prorated portion of the cost across all programs. By doing so, the district/LEA will increase the MOE threshold and there are not any allowable exceptions to offset the increased cost to the special education program in the following year. The district/LEA will have to continue to spend this amount in the future to meet the MOE threshold. Since this is not a direct special education program expense, DESE recommends that the district/LEA not charge a prorated portion of the garage door replacement to the special education program.

SCENARIO IV:

Other factors that can negatively impact MOE include an influx of federal funds. If the district/LEA is receiving Medicaid funds or has a significant amount of IDEA Part B carryover funds, the district/LEA may tend to spend those federal funds as opposed to spending state and/or local funds. In doing so, the district/LEA may then struggle to meet the MOE threshold. For instances such as this, districts/LEA may want to consider spending these funds on one-time expenditures or on new special education program items so the MOE threshold is not impacted by supplanting.

APPENDIX A
MONITORING QUESTIONS AND CAPS

Monitoring questions will be presented to districts/LEAs to determine compliance with federal requirements. The supporting documentation listed may be reviewed during the monitoring process. If the district/LEA is found non-compliant, the typical required action is listed in the CAP column. However, depending on specific situation, additional and/or other CAPs may be issued. Once a CAP has been issued, the district/LEA has 30 calendar days to respond to the initial CAP. In the event a subsequent CAP is issued, the district/LEA will have up to two weeks to respond. See the following table for the monitoring questions and corrective action plans.

FUNDING BASICS			
	QUESTIONS	DOCUMENTATION	CAP
1	Did the district/LEA use the following function codes as established in the MO Accounting Manual for special education program expenditures: 1221, 1223, 1224, 1281, 1931, 1932, 1933, 2553, 2554, 2557, and 2559 if applicable?	-General Ledger	The district/LEA must create special education function codes as indicated in the MO Accounting Manual.
2	Did the district/LEA have a method to tie expenditures coded under non-special education specific function codes to the special education program other than by utilizing account descriptors?	-General Ledger	The district/LEA must create a program/building code and/or a project/source code to tie special education program expenditures coded under non-special education function codes to the special education program.
3	Did the district/LEA track expenditures paid with IDEA Part B federal funds separately in the general ledger by utilizing a project/source code?	-General Ledger	The district/LEA must create a project/source code for tracking expenditures paid with IDEA Part B federal funds separately from other expenditures.
4	Did the district/LEA track expenditures paid with ECSE federal funds separately in the general ledger by utilizing a project/source code?	-General Ledger	The district/LEA must create a project/source code for tracking expenditures paid with ECSE federal funds separately from other expenditures.
5	Did the district/LEA track expenditures paid with HNF federal funds separately in the general ledger by utilizing a project/source code?	-General Ledger	The district/LEA must create a project/source code for tracking expenditures paid with HNF federal funds separately from other expenditures.
6	Did the district/LEA track expenditures paid with state revenue separately in the general ledger by utilizing a project/source code?	-General Ledger	The district/LEA must create a project/source code for tracking expenditures paid with state revenue separately from other expenditures.
7	Did the district/LEA track expenditures paid with local revenue separately in the general ledger by	-General Ledger	The district/LEA must create a project/source code for tracking expenditures paid with local revenue separately from other expenditures.

	utilizing a project/source code?		
8	Did the district/LEA have a method for the identification of awards that included all of the required components?	-General Ledger -Federal Award Identification Spreadsheet	The district/LEA must complete the Identification of Awards spreadsheet. The district/LEA must create a process/procedure to ensure future compliance by completing the Identification of Awards.
CASH MANAGEMENT			
	QUESTION	DOCUMENTATION	CAP
1	Did the district/LEA request IDEA Part B federal funds on a reimbursement basis?	-General Ledger -Payment Requests	The district/LEA must create a process/procedure to ensure future compliance with CMIA timelines by making payment requests based on actual expenditures coded in the general ledger as being paid with IDEA Part B federal funds at the time of the payment request.
2	Did the district/LEA code expenditures paid with ECSE federal funds in advance or within three business days of receipt of the funds?	-General Ledger -Payment Transmittals	The district/LEA must create a process/procedure to ensure future compliance with CMIA timelines by ensuring expenditures coded in the general ledger as being paid with ECSE federal funds match the actual revenue received.
3	Did the district/LEA code expenditures paid with High Need Fund (HNF) federal funds within three business days of receipt of the funds?	-General Ledger -Payment Transmittals	The district/LEA must create a process/procedure to ensure future compliance with CMIA timelines by ensuring expenditures coded in the general ledger as being paid with HNF federal funds match the actual revenue received.
4	Did the district/LEA ensure expenditures paid with IDEA Part B federal funds, ECSE federal funds, or HNF federal funds, were coded in the general ledger only up to the allocation/payment amount and not over and above (over-coded)?	-General Ledger -Payment Requests -Payment Transmittals	The district/LEA must complete a General Ledger Journal Entry Correction form to recode the over-coded federal expenditures as state and/or local expenditures. In the event that the district/LEA did not capture the over-coded federal expenditures in the MOE calculation, the district/LEA must revise the applicable IDEA Part B FER to report accurate amounts. The district/LEA must create a process/procedure to ensure future compliance with CMIA by coding expenditures up to the allocation/payment amount and not over and above.
5	Did the district/LEA ensure payment requests did not exceed the expenditures coded in the general ledger as being paid with IDEA Part B	-General Ledger	The district/LEA must complete a General Ledger Journal Entry Correction form to recode other allowable expenditures to match the amount of IDEA Part B federal funds

	federal funds (overpaid)?		<p>requested.</p> <p>In the event there are no other allowable expenditures to recode, or the district/LEA is unable to meet MOE after recoding expenditures, the district/LEA must refund the overpayment amount. In addition, the district/LEA must pay interest, from state and/or local revenue sources, based on the overpayment amount.</p> <p>The district/LEA must create a process/procedure to ensure future compliance with CMIA timelines by making payment requests based on actual expenditures coded in the general ledger as being paid with IDEA Part B federal funds.</p>
6	Did the district/LEA have a written Cash Management procedure?	-Cash Management Policy	The district/LEA must create a Cash Management procedure.
OBLIGATION OF FUNDS			
	QUESTIONS	DOCUMENTATION	CAP
1	Did the district/LEA ensure that employees who were paid with IDEA Part B federal funds did not perform work duties prior the submission of the IDEA Part B Budget Application or July 1 st , whichever is later?	<p>-General Ledger</p> <p>-Payroll</p> <p>-District/LEA Calendar</p>	<p>The district/LEA must complete a General Ledger Journal Entry Correction form to recode unallowable expenditures (employees paid prior to the submission of the Budget Application) with other allowable expenditures.</p> <p>In the event there are no other allowable expenditures to recode, the district/LEA must pay back, from state and/or local revenue, the amount obligated prior to the submission date of the Budget Application. In addition, the district/LEA must pay interest based on the unallowable expenditures, from state and/or local revenue.</p> <p>The district/LEA must create a process/procedure to ensure future compliance with obligation of funds.</p>
2	Did the district/LEA ensure that vendor contracts paid with IDEA Part B federal funds were not signed prior to the submission of the IDEA Part B Budget Application or July 1 st , whichever is later?	<p>-General Ledger</p> <p>-Contracts</p>	<p>The district/LEA must complete a General Ledger Journal Entry Correction form to recode unallowable expenditures (contracts signed prior to the submission of the Budget Application) with other allowable expenditures.</p> <p>In the event there are no other allowable expenditures to recode, the district/LEA must pay back, from state and/or local revenue, the amount obligated prior to the submission date of the Budget Application. In addition, the</p>

			<p>district/LEA must pay interest based on the unallowable expenditures, from state and/or local revenue.</p> <p>The district/LEA must create a process/procedure to ensure future compliance with obligation of funds.</p>
3	<p>Did the district/LEA ensure purchase orders paid with IDEA Part B federal funds were not issued/created prior to the submission of the IDEA Part B Budget Application or July 1st, whichever is later?</p>	<p>-General Ledger</p> <p>-Purchase Orders</p>	<p>The district/LEA must complete a General Ledger Journal Entry Correction form to recode unallowable expenditures (purchased orders issued/created prior to the submission of the Budget Application) with other allowable expenditures.</p> <p>In the event there are no other allowable expenditures to recode, the district/LEA must pay back, from state and/or local revenue, the amount obligated prior to the submission date of the Budget Application. In addition, the district/LEA must pay interest based on the unallowable expenditures, from state and/or local revenue.</p> <p>The district/LEA must create a process/procedure to ensure future compliance with obligation of funds.</p>
PERIOD OF AVAILABILITY			
	QUESTIONS	DOCUMENTATION	CAP
1	<p>Did the district/LEA ensure current year IDEA Part B federal funds were not used to pay for prior year expenditures?</p>	<p>-June-August General Ledger</p> <p>-Invoices</p>	<p>The district/LEA must complete a General Ledger Journal Entry Correction form to recode unallowable prior year expenditures with other allowable current year expenditures.</p> <p>In the event there are no other allowable expenditures to recode, the district/LEA must pay back, from state and/or local revenue, the amount of prior year expenditures. In addition, the district/LEA must pay interest based on the unallowable expenditures, from state and/or local revenue.</p> <p>The district/LEA must create a process/procedure to ensure future compliance with periods of availability by charging expenditures to the appropriate grant cycle.</p>
2	<p>Does employee payroll follow the fiscal year (July 1st through June 30th)? If not, does the district/LEA ensure employees are paid with the appropriate IDEA Part B grant year funds?</p>	<p>-June-August General Ledger</p> <p>-June-August Payroll</p> <p>-Employee</p>	<p>The district/LEA must complete a General Ledger Journal Entry Correction form to recode unallowable prior year salary and/or benefits which were paid with current year grant funds.</p> <p>In the event there are no other allowable expenditures to recode, the district/LEA must</p>

		Contracts	<p>pay back, from state and/or local revenue, the amount of prior year expenditures. In addition, the district/LEA must pay interest based on the unallowable expenditures, from state and/or local revenue.</p> <p>The district/LEA must create a process/procedure to ensure future compliance with periods of availability by charging expenditures to the appropriate grant cycle.</p>
3	Did the district/LEA have a method to track expenditures paid with two separate fiscal year grants within the same fiscal year general ledger (i.e. tracking 2014-15 and 2015-16 grants within the 2015-16 general ledger)?	-General Ledger	<p>The district/LEA must create a method for tracking multiple fiscal year grants in the same fiscal year general ledger.</p> <p>In the event there are issues with CMIA or Period of Availability compliance, additional CAPs may be issued.</p>
4	Did the district/LEA ensure any prior year IDEA Part B federal funds (2014-15) accessed after June 30, 2015 had an obligation date of June 30, 2015 or before (FER Extension Period)?	<p>-June-August General Ledger</p> <p>-Invoices</p> <p>-Payroll</p> <p>-Contracts</p>	<p>The district/LEA must complete a General Ledger Journal Entry Correction form to recode unallowable expenditures with other allowable expenditures.</p> <p>In the event there are no other allowable expenditures to recode, the district/LEA must pay back, from state and/or local revenue, the amount of unallowable expenditures. In addition, the district/LEA must pay interest based on the unallowable expenditures, from state and/or local revenue.</p> <p>The district/LEA must create a process/procedure to ensure future compliance with periods of availability by charging expenditures to the appropriate grant cycle.</p>
ALLOWABLE USE OF FUNDS			
	QUESTION	DOCUMENTATION	CAP
1	Did the district/LEA ensure that building level <u>budgets</u> were approved by the special education director or another individual familiar with IDEA Part B federal requirements?	-Budget Documentation	The district/LEA must create a process/procedure to have the special education director or another individual familiar with IDEA Part B federal requirements approve building level budgets that include IDEA Part B federal funds to ensure future compliance with allowable use of funds.
2	Did the district/LEA ensure building level <u>expenditures</u> for the special education program were approved by the special education director or another individual familiar with IDEA Part B federal requirements?	<p>-Purchase Orders</p> <p>-Invoices</p>	The district/LEA must create a process/procedure to have the special education director or another individual familiar with IDEA Part B federal requirements approve building level expenditures paid with IDEA Part B federal funds to ensure future compliance with allowable use of funds.

3	Did the district/LEA ensure expenditures paid with IDEA Part B federal funds recorded in the general ledger match what the district/LEA reported in the ePeGS FER grid?	-FER -General Ledger	<p>The district/LEA must complete a General Ledger Journal Entry Correction form to recode expenditures to match what the district/LEA reported in the ePeGS FER grid; <u>or</u> revise the FER to match the general ledger.</p> <p>The district/LEA must create a process/procedure in which the general ledger matches the amounts reported in the FER grid to ensure future compliance with allowable use of funds.</p> <p>In the event there are issues with CMIA or Period of Availability compliance, additional CAPs may be issued.</p>
4	Did the district/LEA ensure expenditures paid with IDEA Part B federal funds were in accordance with the IDEA Part B allowable use of funds requirements?	-General Ledger -Purchase Orders -Invoices	<p>The district/LEA must complete a General Ledger Journal Entry Correction form to recode unallowable expenditures with other allowable expenditures.</p> <p>In the event there are no other allowable expenditures to recode, the district/LEA must pay back, from state and/or local revenue, the amount of unallowable expenditures. In addition, the district/LEA must pay interest based on the unallowable expenditures, from state and/or local revenue.</p> <p>The district/LEA must create a process/procedure to ensure expenditures paid with IDEA Part B federal funds are in compliance with the allowable use of funds.</p>
5	Did the district/LEA have a written Allowability procedure?	-Allowability Procedure	The district/LEA must create a written allowability procedure.
6	Did the district/LEA have a written Travel policy?	-Travel Policy	The district/LEA must create a written travel policy.
7	Did the district/LEA ensure all special education travel expenditures included documentation that contained a statement to justify that the individual's travel was pertinent to grant activities?	-Justification of Travel Statement	The district/LEA must create a process/procedure to ensure all travel expenditures have a written justification statement.
8	Did the district/LEA have documentation to justify that working lunches provided during meetings/conferences were allowable?	-Justification of Working Lunches	The district/LEA must create a process/procedure to ensure all working lunches provided during meetings/conferences have written justification.

INTERNAL CONTROLS			
	QUESTION	DOCUMENTATION	CAP
1	Did the district/LEA ensure staff duties between accounts receivable and accounts payable were segregated? If not, was there a second approval process in place to ensure controls over fraud and abuse?	-Policies -Job Descriptions -Invoices -Purchase Orders	The district/LEA must assign segregated duties and/or create a second approval process/procedure to ensure future compliance with internal controls.
2	Did the district/LEA ensure all special education program purchases were supported by the proper documentation including a purchase order, invoice, and receiving record?	-Purchase Orders -Invoices -Receiving Records	The district/LEA must create a process/procedure where supporting documentation including a purchase order, invoice, and receiving record with approval is maintained for all special education program purchases to ensure future compliance with internal controls.
3	Did the district/LEA ensure supporting documents (purchase orders, invoices, etc.) were reviewed, signed, and dated prior to the payment being issued?	-Policies -Purchase Orders -Invoices -Receiving Records	The district/LEA must create a process/procedure where supporting documentation is reviewed prior to the approval of payments to ensure future compliance with internal controls.
4	Did the district/LEA ensure Journal Entry Corrections to the general ledger for all special education program expenditures were approved by a second individual?	-Journal Entry Corrections	The district/LEA must create a process/procedure where a second approval is obtained for Journal Entry Corrections to ensure future compliance with internal controls.
PROCUREMENT			
	QUESTION	DOCUMENTATION	CAP
1	Did the district/LEA have a written procurement procedure that addressed all methods of procurement (Micro purchases, small purchases, sealed bids, competitive proposals, and noncompetitive/sole source purchases)?	-Procurement Procedure	The district/LEA must create a written procurement procedure.
2	Did the district/LEA have a written standards of conduct policy that addressed conflicts of interest?	-Standards of Conduct Policy	The district/LEA must create a written standards of conduct policy.
3	Did the district/LEA follow the procurement policy for all special education program expenditures paid with IDEA Part B federal funds (expenditures recorded under object code 6300 in the ePeGS FER grid)?	-Procurement Procedure -Contracts -Invoices -Purchase Orders	The district/LEA must create a process/procedure to ensure future compliance with procurement requirements by following the district/LEA procurement policy for all purchases made with IDEA Part B federal funds.

		-Bidding Documentation	
4	Did the district/LEA ensure contractors/vendors were not debarred, suspended, or included on the Excluded Parties List before issuing a contract over \$25,000 to be paid with IDEA Part B federal funds?	-Procurement Policy -Contractor/Vendor Search Results -Contracts	The district/LEA must perform a search for debarred, suspended, or federal exclusion on all current contractors/vendors to ensure the vendors are in good standing with the federal government. The district/LEA must create a process/procedure to ensure future compliance with procurement requirements by performing a search for debarred, suspended, or federal exclusion on all vendors to verify the vendors are in good standing with the federal government prior to issuing a contract to be paid with IDEA Part B federal funds.
TIME AND EFFORT			
	QUESTION	DOCUMENTATION	CAP
1	If the district/LEA had salaries and/or benefits claimed in the FER grid, was the district/LEA able to identify the specific special education employees who were paid any portion of IDEA Part B federal funds?	-List of employees paid with IDEA Part B federal funds -MOSIS/Core Data Staff Assignments Report	The district/LEA must identify staff paid with any portion of IDEA Part B federal funds for the year being reviewed and complete time and effort documentation. The district/LEA must create a process/procedure to identify specific special education employees who were paid any portion of IDEA Part B federal funds.
2	Did the district/LEA ensure all employees who worked in the special education program and were paid any portion of IDEA Part B federal funds were accurately coded to a special education or other acceptable course and program codes in MOSIS/Core Data?	-List of employees paid with IDEA Part B federal funds. -MOSIS/Core Data Staff Assignments Report	The district/LEA must create a process/procedure to accurately code employees who worked in the special education program and were paid any portion of IDEA Part B federal funds to a special education or other acceptable course and program codes in MOSIS/Core Data.
3	Did the district/LEA have Semi-Annual Certification forms on file for employees who worked in the special education program only and were paid any portion of IDEA Part B federal funds, ECSE federal funds, or HNF federal funds?	-Semi-Annual Certification forms	The district/LEA must complete Semi-Annual Certification forms to support employees who worked in the special education program only and were paid any portion of IDEA Part B federal funds, ECSE federal funds, or HNF federal funds, for the year being reviewed. The district/LEA must create a process/procedure to ensure future compliance with time and effort requirements for applicable employees.
4	Did the district/LEA ensure the Semi-Annual Certification forms were completed twice during the school year (semi-annually)?	-Semi-Annual Certification forms	The district/LEA must complete Semi-Annual Certification forms twice during the school year (semi-annually) for employees who worked solely in the special education program

			<p>and were paid any portion of IDEA Part B federal funds, ECSE federal funds, or HNF federal funds, for the school year being reviewed.</p> <p>The district/LEA must create a process/procedure to ensure future compliance with time and effort requirements by completing Semi-Annual Certification forms for all applicable employees on a semi-annual basis.</p>
5	Did the district/LEA ensure the Semi-Annual Certification forms were signed by either the employee or the supervisor?	-Semi-Annual Certification forms	<p>The district/LEA must complete Semi-Annual Certification forms and ensure the certification form is signed by either the employee or the supervisor for the school year being reviewed.</p> <p>The district/LEA must create a process/procedure to ensure future compliance with time and effort requirements by having the forms signed by either the employee or the supervisor.</p>
6	Did the district/LEA ensure the Semi-Annual Certification forms were signed after the funding period listed on the certification form?	-Semi-Annual Certification forms	<p>The district/LEA must create a process/procedure to ensure future compliance with time and effort requirements by having the forms signed after the funding period listed on the certification forms.</p>
7	Did the district/LEA have Time and Effort Logs/Personnel Activity Reports (PARs) on file for employees who worked in both the special education program and on any other program(s), and were paid any portion of IDEA Part B federal funds, ECSE federal funds, or HNF federal funds?	-Time and Effort Logs/Personnel Activity Report (PARs)	<p>The district/LEA must complete Time and Effort Logs/Personnel Activity Reports (PARs) for employees who worked in the special education program and on any other program(s) and were paid any portion of IDEA Part B federal funds, ECSE federal funds, or HNF federal funds, for the school year being reviewed, <u>or</u> complete a General Ledger Journal Entry Correction form to recode unallowable expenditures with other allowable expenditures.</p> <p>In the event there are no other allowable expenditures to recode, the district/LEA must pay back, from state and/or local revenue, the amount of unallowable expenditures. In addition, the district/LEA must pay interest based on the unallowable expenditures, from state and/or local revenue.</p> <p>The district/LEA must create a process/procedure to ensure future compliance with time and effort requirements by having Time and Effort Logs/Personnel Activity Reports (PARs) on file for employees who worked in the special education program and on any other program(s) and were paid</p>

			any portion of IDEA Part B federal funds, ECSE federal funds, or HNF federal funds.
8	Did the district/LEA ensure stipends/extra duty work paid with any portion of IDEA Part B federal funds were supported by written documentation/ agreement?	-Written Agreements -Semi-Annual Certification forms -Time and Effort Logs/Personnel Activity Reports (PARS)	The district/LEA must create a process/procedure to ensure stipends/extra duty work paid with any portion of IDEA Part B federal funds is supported by written documentation.
EQUIPMENT			
	QUESTION	DOCUMENTATION	CAP
1	Did the district/LEA obtain prior approval for equipment purchased with IDEA Part B federal funds through the Capital Outlay page in the ePeGS Budget Application?	-Budget Application -General Ledger -Master Inventory Listing	The district/LEA must complete a General Ledger Journal Entry Correction form to recode unallowable expenditures with other allowable expenditures. In the event there are no other allowable expenditures to recode, the district/LEA must pay back, from state and/or local revenue, the amount of unallowable expenditures. In addition, the district/LEA must pay interest based on the unallowable expenditures, from state and/or local revenue. The district/LEA must create a process/procedure to ensure future compliance with equipment management requirements by obtaining prior approval for equipment purchases.
2	Did the district/LEA ensure equipment purchased with IDEA Part B federal funds was added to the master inventory listing?	-Master Inventory Listing	The district/LEA must add equipment purchased with IDEA Part B federal funds to the master inventory listing. The district/LEA must create a process/procedure to ensure future compliance with equipment management requirements by including all equipment purchased with IDEA Part B federal funds on the master inventory listing as it is purchased and received.
3	Did the master inventory listing have all of the required components: Description, Serial/Model Number, Cost, FAIN, Funding Source, Funding Percentage, Title Holder, Acquisition Date, Location, Use and Condition of Equipment, and applicable Disposition Data?	-Master Inventory Listing	The district/LEA must create one master inventory listing to include all required components if none exists; <u>or</u> add any missing components to an existing master inventory listing. The district/LEA must create a process/procedure to ensure future compliance with equipment management

			requirements by having one master inventory listing with all required components.
4	Did the district/LEA conduct a physical account/inventory for equipment purchased with IDEA Part B federal funds within the past two years?	-Master Inventory Listing	<p>The district/LEA must conduct the physical account/inventory for equipment purchased with IDEA Part B federal funds within the next 30 calendar days.</p> <p>The district/LEA must create a process/procedure to ensure future compliance with equipment management requirements by completing a physical account/inventory for equipment purchased with IDEA Part B federal funds every two years.</p>
CAPITAL OUTLAY			
	QUESTION	DOCUMENTATION	CAP
1	Did the district/LEA obtain prior approval for capital outlay (bus, vehicle, construction, renovation, real estate, and alteration) purchased with IDEA Part B federal funds through the Capital Outlay page in ePeGS Budget Application?	<p>-Non-Equipment section of the Capital Outlay page of the Budget Application</p> <p>-General Ledger</p> <p>-Purchase Orders</p> <p>-Contracts</p>	<p>The district/LEA must complete a General Ledger Journal Entry Correction form to recode unallowable expenditures with other allowable expenditures.</p> <p>In the event there are no other allowable expenditures to recode, the district/LEA must pay back, from state and/or local revenue, the amount of unallowable expenditures. In addition, the district/LEA must pay interest based on the unallowable expenditures, from state and/or local revenue.</p> <p>The district/LEA must create a process/procedure to ensure future compliance with Capital Outlay requirements by obtaining prior approval for Capital Outlay purchases.</p>
2	Did the district/LEA ensure Capital Outlay purchased with IDEA Part B federal funds was utilized as indicated in the approval form?	-Non-Equipment section of the Capital Outlay page of the Budget Application	<p>The district/LEA must agree to one of the Capital Outlay disposition options. 1) Keep the Capital Outlay and compensate DESE; 2) Sell the Capital Outlay and compensate DESE; or 3) Transfer the title to another approved federal program.</p> <p>The district/LEA must create a process/procedure to ensure future compliance with Capital Outlay requirements by following proper disposition steps.</p>
PROPORTIONATE SHARE			
	QUESTION	DOCUMENTATION	CAP
1	Did the district/LEA have documentation (rosters, service plans, etc.) to support the private, parochial and home schooled student counts reported in	<p>-Rosters</p> <p>-Service Plans</p> <p>-Referrals</p>	The district/LEA must revise MOSIS/Core Data and/or the ePeGS FER to report the accurate count of private, parochial, and home schooled students found eligible under Proportionate Share.

	MOSIS/Core Data?		The district/LEA must create a process/procedure to ensure adequate documentation is maintained and reported accurately to support the private, parochial, and home schooled children with disabilities determined eligible under Proportionate Share.
2	Did the district/LEA track Proportionate Share expenditures separately from other expenditures using function code 1224 and/or 2557?	-General Ledger	The district/LEA must create a process/procedure to track Proportionate Share expenditures separately from other expenditures by utilizing function codes 1224 and/or 2557 in the general ledger.
3	Did the district/LEA ensure Proportionate Share expenditures were prorated appropriately?	-General Ledger -Proration Documentation	The district/LEA must complete a General Ledger Journal Entry Correction form to recode unallowable expenditures with other allowable expenditures. The district/LEA must revise the FER to accurately prorate Proportionate Share costs. The district/LEA must create a process/procedure to ensure future Proportionate Share expenditures are prorated appropriately.

EARLY CHILDHOOD SPECIAL EDUCATION (ECSE)

	QUESTION	DOCUMENTATION	CAP
1	Did the district/LEA track ECSE expenditures separately from other expenditures utilizing function codes 1281 and 2559?	-General Ledger	The district/LEA must complete a General Ledger Journal Entry Correction form to recode ECSE expenditures to the appropriate function codes. The district/LEA must create a process/procedure to ensure ECSE expenditures are coded to function code 1281 and/or 2559 in the future.
2	Did the district/LEA ensure ECSE expenditures recorded in the general ledger match what the district/LEA reported in the Annual Secretary of the Board Report (ASBR)?	-General Ledger -ASBR	The district/LEA must revise the ASBR to match the general ledger. The district/LEA must create a process/procedure in which the general ledger matches the amounts reported in the ASBR.
3	Did the district/LEA ensure ECSE expenditures were in accordance with the ECSE program requirements?	-Expenditures	The district/LEA must create a process/procedure to ensure ECSE expenditures are in compliance with the ECSE program rules.

COORDINATED EARLY INTERVENING SERVICES (CEIS)

	QUESTION	DOCUMENTATION	CAP
1	Did the district/LEA track CEIS expenditures paid with IDEA Part B	-General Ledger	The district/LEA must create a process/procedure to track CEIS expenditures

	federal funds separately from other expenditures using function code 1223?		paid with IDEA Part B federal funds separately from other expenditures using function code 1223.
MAINTENANCE OF EFFORT (MOE)			
	QUESTION	DOCUMENTATION	CAP
1	Did the Maintenance of Effort (MOE) calculation include ALL special education program expenditures paid with state and/or local funds?	-General Ledger -FER	The district/LEA must complete a FER revision to report accurate MOE totals. The district/LEA must create a process/procedure to ensure all special education program expenditures paid with state and/or local funds are included in the MOE calculation.
2	Did the district/LEA ensure federal funds were not included in the Maintenance of Effort (MOE) calculation?	-General Ledger -FER	The district/LEA must complete a FER revision to report accurate MOE totals. The district/LEA must create a process/procedure to ensure compliance with MOE requirements by including only state and/or local expenditures for the special education program in the MOE calculation.
3	Did the Maintenance of Effort (MOE) calculation include only special education expenditures (no Gifted, Homeless, Medicaid billing fees, Local Tax Effort, etc., were included)?	-General Ledger -FER	The district/LEA must complete a FER revision to report accurate MOE totals. The district/LEA must create a process/procedure to ensure compliance with MOE requirements by including expenditures for the special education program only in the MOE calculation.
4	Did the district/LEA ensure expenditures paid with state and local funds recorded in the general match what the district/LEA reported in ePeGS on the Maintenance of Effort (MOE) grid?	-General Ledger -FER	The district/LEA must complete a FER revision to report accurate MOE totals. The district/LEA must create a process/procedure in which the general ledger matches the amounts reported in the MOE grids.

APPENDIX B
GRANTING ACCESS TO THE TIERED MONITORING SYSTEM

1. The district/LEA's user manager must log into the DESE Web Applications. Select "User Manager" from the Web Application menu
2. Select "User Access" from the left navigation menu
3. For a new user, select "Add User to District"
 - a. Perform a search to see the user has a current ID
 - b. If not, the user must create a public account
 - c. Once the ID is created, select "Add User to District" and using the newly created ID, add the user to the district.
 - d. At the bottom of the screen, under Cross Divisional, grant either "District_Submit (for Administrator)" or "District_Save" (for Users) rights and click save. *Please note: "District_Submit" or "District_Save" option will not appear until district/LEA has been assigned to Self-Assessment Monitoring*
 - e. If select "District_Save" (for Users), a Tiered Monitoring District Administrator will need to grant duties to all users within the Tiered Monitoring System. This is done using the "Manage Securities" link under the Utilities box on the right-hand side of the Federal Monitor-LEA Home page.
4. For an existing user (has an existing ID), select "Modify District User"
 - a. At the bottom of the screen, under Cross Divisional, grant either "District_Submit" (for Administrator) or "District_Save" (for Users) rights and click save. *Please note: "District_Submit" or "District_Save" option will not appear until district/LEA has been assigned to Self-Assessment Monitoring*
 - b. If select "District_Save" (for Users), the Tiered Monitoring District Administrator will need to grant duties to all users within the Tiered Monitoring System. This is done using the "Manage Securities" link under the Utilities section on the Tiered Monitoring LEA Homepage.
5. The user manager will then need to log into Tiered Monitoring (on the Web Applications menu).
 - a. Click on "Maintain User Security" in the Utilities box on the right-hand side of the Federal Monitor-LEA Home page.
 - b. Click on "Manage Assignments" beside the individual's name granting access for. Check the appropriate access (view, data entry, authorized representative) for Special Education Finance (approximately mid-way down the page).
6. The user (not the User Manager) will need to log in to Web Applications, click on Tiered Monitoring link. They will need to open Tiered Monitoring System, log out, and then log back in before changes to the profile will take effect and Special Education Finance will appear.

APPENDIX C

INSTRUCTIONS FOR UPLOADING DOCUMENTS INTO TIERED MONITORING SYSTEM

1. Log on to DESE webpage at www.dese.mo.gov. Click on Web Application Login link.

Logging On
<https://dese.mo.gov>

Welcome to the new dese.mo.gov. We hope you enjoy the new and improved website, and we welcome your feedback.

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2. Sign into DESE Web Application by entering the user name and password.

Sign In

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DESE Secured Web Application Logon

Reset Password DESE Homepage Login Request Forms Browser Technical Notes Web Accessibility Logon/Logout

IMPORTANT NOTICE:
Inactive Account - Received an email concerning your inactive account? If so, please click [HERE](#) for more information.

If you already have a User Name, enter it below. Click [Login]

User Name: Password: Login

To view information available to the general public, Click [View Public Applications]

If you do not have a user name and password, Click [Register]

View Public Applications Register

- On the Web Applications Menu, click on Tiered Monitoring. If the Tiered Monitoring option does not appear as an option, then you do not currently have access to the system. Your district/LEA User Manager will need to assign access through the user manager link (*Maintain User Security* → *Select User Name* → *Assign Monitoring Reports & Security Levels (View, Data Entry and Authorized Representative)*).

Web Applications Menu

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- ▼ **User Applications**
 - ▼ **DESE Web Applications**
 - ▶ Annual Report of the County Clerk to the State Board of Education
 - ▶ Annual Secretary of the Board Report (ASBR)
 - ▶ ARRA
 - ▶ Data Collection
 - ▶ Educator Certification System - Request Educator Access
 - ▶ Educator Qualifications
 - ▶ ePeGS
 - ▶ Missouri Comprehensive Data System (MCDS)
 - ▶ Nonpublic Registration Form
 - ▶ School Finance
 - ▶ Special Education: Early Childhood
 - ▶ Tiered Monitoring
 - ▼ **Report**
 - ▶ Report Menu -- All data and/or reports are now available through the Missouri Comprehensive Data System (MCDS) Portal.
 - ▼ **User Information**
 - ▶ Change Password
 - ▶ Edit User Profile
 - ▶ Edit Security Question/Answer
 - ▶ Logon/Logoff

- On the LEA Home Page, locate the Utilities Box on the right side of the page. Click on Global Document Repository (uploads) link. This will allow the LEA to upload documentation for department review.

Home Elements

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Federal Monitor - LEA Home

Desk Monitoring

Section #	Status	Due
Federal Charter Schools Self-Assessment	In Progress	8/31/2013

Audit Checklists

There are no sections to display.

Utilities

- Calendar view
- Global document repository (uploads)
- Maintain user security

5. Global Document Repository page will open. Click on [\[+ Upload a file\]](#) link.

Global Document Repository

6. A pop-up screen will appear that will allow the upload of a document or web link.

Upload Screen

- For Document Type, select Special Education Finance On-site/Phone Monitoring. Then select a section title (according to **Global Document Repository Key** located on last page of this document). *If, “Special Education Finance On-Site/Phone Monitoring” is not an option in the drop down box, the district/LEA must change the school year. To do so, please see the blue menu box at TOP LEFT CORNER of the page, under the Functions heading the Year: XXXX-XXXX should read 2015-16, if does not click on the (CHANGE) link. A pop-up screen will appear. Select 2015-2016.*

Choosing A Program

File Upload

Document Type:	Special Education Finance On-site/Phone Monitoring
Document Section:	Select a section
Do you want to paste a link to an external file?	<input type="checkbox"/>
File:	Select a section Obligations and Period of Availability Coding and Cash Management Records Management and Internal Controls Procurement Allowable Costs/Use of Funds Time and Effort Equipment Capital Outlay Proportionate Share Coordinated Early Intervening Services (CEIS) Maintenance of Effort (MOE)
File Description:	

- There is also the option to submit a web link. To do so, check the box next to “Do you want to paste a link to an external file?” Browse for file.

Submitting a Web Link

File Upload

Document Type:	Special Education Finance On-site/Phone Monitoring
Document Section:	Time and Effort
Required Document:	None
Do you want to paste a link to an external file?	<input checked="" type="checkbox"/>
Link:	<input type="text" value="www.dese.mo.gov"/>
File Description:	<input type="text" value="DESE Homepage"/>
<input type="button" value="Upload"/> <input type="button" value="Close"/>	

9. Add file description (according to Global Document Repository Key located below). Then click upload. A message will appear to indicate the upload was successful. Global Document Repository listing should look like the screen shot below once all documents have been uploaded.

Upload Successful

The screenshot shows the 'Global Document Repository' page. At the top, there is a blue header with the text 'Upload Successful'. Below this, a yellow banner displays the message 'Your file has been uploaded.' A table lists several documents with columns for 'Date uploaded', 'Description', 'Document', 'Related to', and 'Status'. The table contains five rows of data, each with a red 'X' in the status column. On the left side, there is a navigation menu with sections for 'Info', 'Functions', and 'Navigation'. The 'Info' section shows 'District: MIAMI R-I', 'CDC: 097116', and 'User ID: HOPETEST1'. The 'Functions' section shows 'Year: 2012-2013 (Change)'. The 'Navigation' section includes links for 'Federal Monitor Home', 'Web Application Menu', and 'Logon/Logoff'.

Date uploaded	Description	Document	Related to	Status
11/8/2013 1:00:00 PM	General Ledger Chart of Accounts/Legend	Special Education Finance On-site/Phone Monitoring	Obligations and Period of Availability	X
11/8/2013 1:05:00 PM	General Ledger FY13	Special Education Finance On-site/Phone Monitoring	Obligations and Period of Availability	X
11/8/2013 1:06:00 PM	General Ledger-by month FY13	Special Education Finance On-site/Phone Monitoring	Obligations and Period of Availability	X
11/8/2013 1:06:00 PM	MOE Documentation	Special Education Finance On-site/Phone Monitoring	Maintenance of Effort (MOE)	X
11/8/2013 1:07:00 PM	Staff Listing	Special Education Finance On-site/Phone Monitoring	Time and Effort	X

KEY: Global Document Repository Labels

- General Ledger Chart of Accounts/Legend
 - *Document Section*= Obligations and Period of Availability
 - *File Description*= General Ledger Chart of Accounts/Legend
- Complete Fiscal Year General Ledger for the following:
 - Special Education and Related Services (function 1221)
 - Coordinated Early Intervening Services(function 1223)
 - Proportionate Share (function 1224)
 - Early Childhood Special Education (function 1281)
 - Special Education Tuition (function 1931, 1932, and 1933)
 - Professional Development (function 2214)
 - Special Education Transportation (function 2553, 2554, 2557)
 - ECSE Transportation (function 2559)
 - Any additional function codes containing special education expenditures
 - *Document Section*= Obligations and Period of Availability
 - *File Description*= General Ledger FY16
- Prior Year General Ledger by month for the expenditures described above
 - *Document Section*= Obligations and Period of Availability
 - *File Description*= Monthly General Ledger FY16
- Maintenance of Effort (MOE) Documentation (if other than the General Ledger)
 - *Document Section*= Maintenance of Effort

- *File Description*= MOE Documentation

- List of Special Education Staff paid with IDEA Part B federal funds
 - *Document Section*= Time and Effort
 - *File Description*= Staff Listing-IDEA

- List of Special Education Staff paid with ECSE federal funds
 - *Document Section*= Time and Effort
 - *File Description*= Staff Listing-ECSE

- List of Special Education Staff paid with HNF federal funds
 - *Document Section*= Time and Effort
 - *File Description*= Staff Listing-HNF

- Time and Effort Documentation
 - *Document Section*= Time and Effort
 - *File Description*= Time and Effort Documentation

- Proportionate Share Student Roster
 - *Document Section*= Proportionate Share Student Roster
 - *File Description*= Proportionate Share Student Roster

- Cash Management Procedure
 - *Document Section*= Cash Management
 - *File Description*= Cash Management Procedure

- Allowability Procedure
 - *Document Section*= Allowable Use of Funds
 - *File Description*= Allowability Procedure

- Travel Policy
 - *Document Section*= Allowable Use of Funds
 - *File Description*= Travel Policy

- Procurement Procedure
 - *Document Section*= Procurement
 - *File Description*= Procurement Procedure

- Standards of Conduct Policy
 - *Document Section*= Procurement
 - *File Description*= Standards of Conduct Procedure