



DIVISION OF FINANCIAL AND ADMINISTRATIVE SERVICES
SPECIAL EDUCATION FINANCE
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NEW CHARTER SCHOOL SPECIAL EDUCATION FUNDING

Calculation of IDEA Section 611 and 619 (Part B) Federal Allocations

The purpose of this document is to advise new charter schools and charter sponsors of the requirements and procedures related to IDEA Part B Federal special education funding for a new charter school. If a new charter school plans to open in the upcoming school year, the charter school (Section 160.405.2(1), RSMo 2012) must be approved by the state board of education by January 31 of the year prior to the proposed opening date of the charter school. In addition to the application approval, the sponsor must submit a letter on sponsor letterhead to the Missouri Department of Elementary and Secondary Education (DESE) by **March 15**. The letter should be sent via email to the Charter Schools Operations Assistant, Office of Quality Schools, DESE. In addition, estimated data regarding the new charter must be submitted in Core Data in the February cycle on screen 37, New and Expanding Charter School Data, by **March 15**.

The March 15 notification deadline has been set by the DESE to allow the 120 days' notice time before the date the charter school is scheduled to open, for those schools planning to open at the beginning of the school year (EDGAR §76.788(a)). Charters that are opening after November 1 but before February 1 of the school year must still provide the DESE notification at least 120 days before the opening date of the charter school in order to receive a prorated amount of IDEA Part B Federal funding based on the number of months or days they will participate in the program as compared to the total number of months or days in the school year (EDGAR § 76.792(b)). Charter schools that open after February 1 of the school year will not receive IDEA Part B Federal funding until the next fiscal year (EDGAR 76.792(c)).

PROCEDURES AND TIMELINE FOR CALCULATING IDEA PART B ALLOCATIONS

Estimated IDEA Part B Federal allocations for new charter schools are calculated by the beginning of the fiscal year using data submitted in the February cycle of MOSIS on screen 37, New and Expanding Charter School Data. The following estimated data for the upcoming school year must be submitted to the DESE by March 15: □ Date of the first day of school

- Grades that will be served
- Name of new building and grade span (if applicable)
- Community Eligibility Provision (CEP) participation (Yes/No)
- Federal Programs Headcount
- Total PK September Enrollment
- Total K-12 September Enrollment
- Total 3-5 December 1 IEP count
- Total 3-21 December 1 IEP count
- State FTE Count (K-12 Free/Reduced Lunch count) for non-CEP buildings

The new charter is required to complete a Special Education Part B initial budget application by July 1 to budget the estimated funds for special education and related services for students with disabilities. Once actual current year data is submitted in MOSIS, Special Education Finance calculates a final allocation for new charters. The new charter must complete a budget revision to budget the final IDEA Part B allocation amount. The timeline is outlined below.

- March 15: Charter school sponsor sends letter to notify DESE Office of Quality Schools of opening of new charter and required data is submitted in the February cycle of MOSIS on screen 37, New and Expanding Charter School Data.
- May/June: Using estimated data, Special Education Finance calculates estimated IDEA Part B Federal allocations to new charters.
- July 1: New charters submit a Special Education Part B budget application in ePeGS to obligate the estimated IDEA Part B Federal allocation amount.
- Dec/January: Current year actual September Enrollment, Free/Reduced Lunch count, and December 1 child count data are used to calculate final allocations for new charters within five months of the opening date.
- January: Special Education Finance sends letters via email to all affected Local Education Agencies (LEAs) to notify them of final allocation amounts after new charter reallocation. The new charter is required to submit a Special Education Part B budget application revision to obligate the final allocation amount.

SPECIAL EDUCATION FEDERAL FUNDING IDEA PART B CALCULATION Allocations

are calculated using the sum of these three calculations:

- **Base Amount**—A proportionate share of base amount funding is reallocated to the new charter school from the LEA(s) that would have been responsible for serving the students with disabilities in the absence of the new charter school based on the relative numbers of children with disabilities currently provided special education by the affected LEAs.
- **Population**—September Enrollment (last Wednesday in September head count of all resident and nonresident students in grades PK through 12 enrolled in the attendance center reported on Core Data screen 16). This is referred to in Core Data as the “October” cycle.
 - **Population Formula:** LEA September Enrollment multiplied by the current year Part B statewide “Increase for Population Rate” = LEA Population Amount.
- **Poverty**—Free/Reduced Lunch count of students in grades PK-12 enrolled in the attendance center. CEP count provided to Food and Nutrition Services in the Division of Financial and Administrative Services in April is also used for participating buildings.
 - **Poverty Formula:** LEA Free/Reduced Lunch count and/or CEP count multiplied by the current school year Part B statewide “Increase for Poverty Rate” = LEA Poverty Amount.

ELIGIBILITY REQUIREMENTS FOR IDEA PART B FUNDS

- **Assurances**—LEAs providing services to students with disabilities must submit annual assurances to the DESE regarding their compliance with the applicable Federal and State statutes and regulations. This is done through the Part B Budget Application in ePeGS.

- **Excess Cost Requirement**—LEAs must spend the same amount of local and State funds on special education students as is spent on regular education students before accessing IDEA Part B Federal funds. The DESE computes the Excess Cost calculation each year and notifies the LEA if it has not met this requirement.
- **Maintenance of Effort/Non-Supplant**—Maintenance of Effort (MOE) is the amount of local, or State and local funds LEAs must spend in support of special education. There are two components to MOE, the eligibility standard and the compliance standard. The eligibility standard indicates LEAs must budget at least the same amount or more for special education as they spent for the most recent fiscal year for which information is available, unless allowable exceptions or adjustments apply, in order to be eligible for the next fiscal year grant award. The compliance standard indicates LEAs must not reduce the level of expenditures for special education below the level of expenditures from the previous fiscal year unless allowable exceptions or adjustments apply. The charter school’s first year of operation becomes the base year for Maintenance of Effort.
 - Exceptions to Maintenance of Effort (MOE):
 - Voluntary Departure of Special Education Staff
 - Decrease in Enrollment of Children with Disabilities
 - Termination of a Costly Obligation for a Specific Child
 - Termination of a Costly Long-Term Purchase
 - Assumption of the Cost by the High Need Fund
 - Adjustment to MOE:
 - LEAs may reduce their MOE threshold by taking advantage of an adjustment. IDEA allows the LEA to reduce their MOE by 50% of the increase in total allocations from the prior to current year Part B allocation.

PERMISSIVE USE OF IDEA PART B FUNDS

- Costs of Special Education and Related Services.
- Supplementary Aids and Services (aids, services, and other supports that are provided in regular education classes, other education-related settings, and in extracurricular and nonacademic settings, to enable children with disabilities to be educated with nondisabled children to the maximum extent appropriate in accordance with IDEA regulations §§ 300.114 through 300.116).
- Administrative Case Management (appropriate technology for recordkeeping, data collection, and related case management activities of teachers and related services personnel providing services described in the IEP of children with disabilities, that is needed for the implementation of those case management activities). □ Coordinated Early Intervening Services (CEIS): LEAs may use up to 15% of their Part B Allocation for Kindergarten - Grade 12 students not yet identified as needing special education services but need additional academic and behavioral supports to succeed in the general education environment.
- Special Education buses (prior Department Approval).
- Construction/Renovation of Special Education facilities (prior Department approval).

SPECIAL EDUCATION FINANCE CHARTER SCHOOLS CONTACTS

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ADDITIONAL INFORMATION

Part B Federal Expenditure Requirements Resources are available in the Special Education Fiscal Monitoring Guide at <http://dese.mo.gov/financial-admin-services/special-education-finance/fiscal-monitoring>.

A step by step guide for accessing the IDEA Part B Funds through ePeGS is available under ePeGS Training Guide Series at <http://dese.mo.gov/financial-admin-services/special-education-finance/part-b-funding-and-allocations>.

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