



Special Education Finance

Special Education Coding

DIVISION OF FINANCIAL AND ADMINISTRATIVE SERVICES

Mar 2018

Missouri Department
of Elementary and Secondary Education

Introduction & Purpose

- New Accounting Structure effective July 1, 2018
- Allows expenditures to be tracked by function, object, building, project, and funding source
- Created to meet ESSA federal reporting requirements and public report card
- New Accounting Structure affects the way Special Education expenditures are coded, prorated, and reported
- New Accounting Structure does not affect any other IDEA Part B requirements

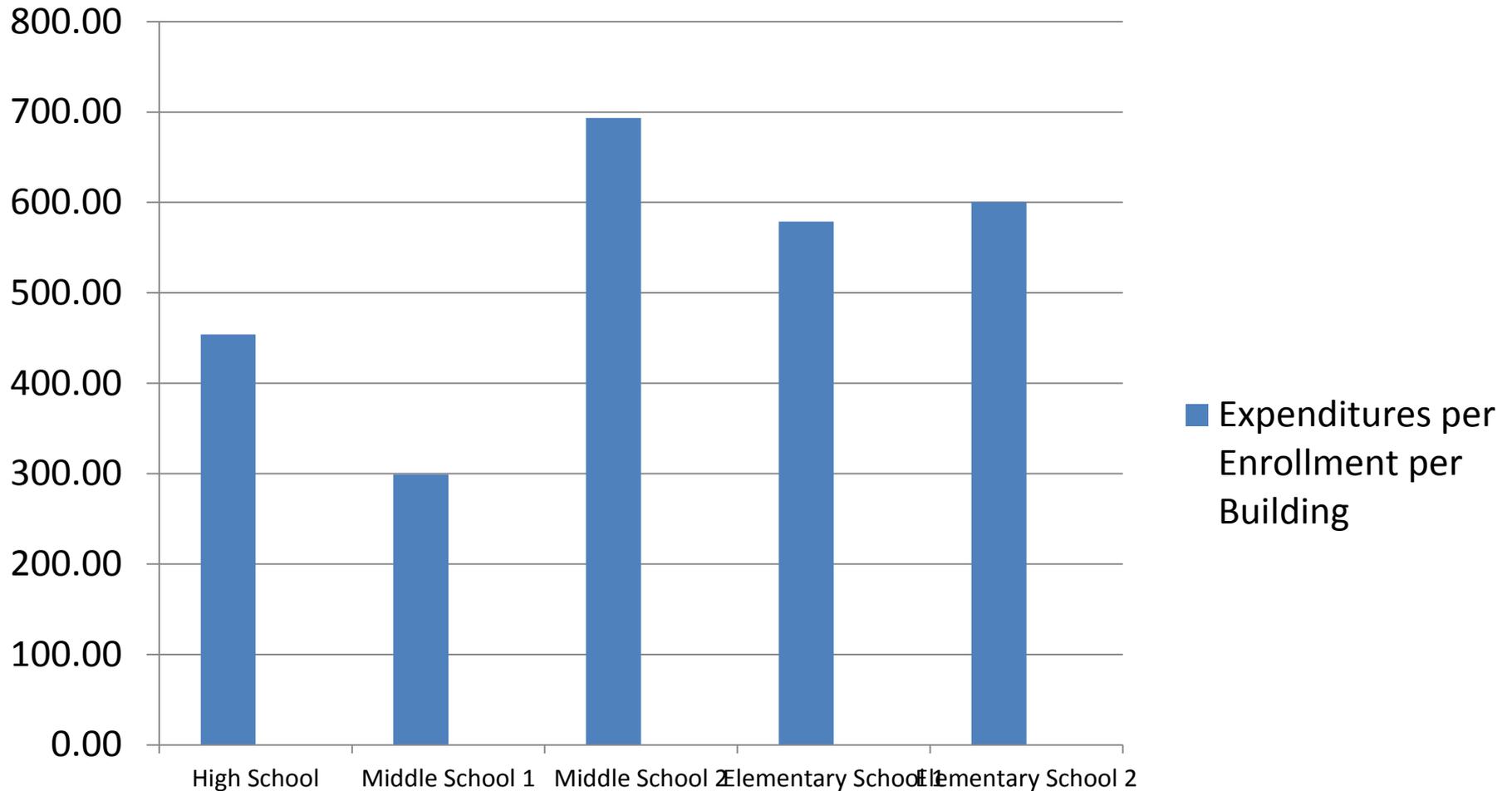
Federal Reporting/Report Card

Expenditure	Federal Expenditures	State/Local Expenditures	Total Expenditures
Total Instruction and Support Building Level	<u>256,398</u>	<u>2,307,580</u>	<u>2,563,978</u>
Total Instruction and Support LEA Level	<u>75,218</u>	<u>568,279</u>	<u>643,497</u>

Federal Reporting/Report Card

Building Number	Building Name	Enrollment	Building Level Expenditures per Enrollment			District Level Expenditures per Enrollment		
			Federal	State/Local	Total	Federal	State/Local	Total
1050	High School	2,489	115,000	1,015,335	1,130,335	25,000	200,000	225,000
3000	Middle School 1	949	30,000	253,834	283,834	10,000	100,000	110,000
3020	Middle School 2	1,073	75,000	669,198	744,198	20,000	175,000	195,000
4020	Elementary 1	402	25,000	207,682	232,682	15,000	50,000	65,000
4025	Elementary 2	288	11,398	161,531	172,929	5,218	43,279	48,497
	Total		256,398	2,307,580	2,563,978	75,218	568,279	643,497

Expenditure by Building Report Card



Topics

- Coding Special Education Expenditures
- Prorating Special Education Expenditures
- Reporting Special Education Expenditures
- Other Part B Requirements
 - MOE
 - Proportionate Share (PS)
 - Coordinated Early Intervening Services (CEIS)
- MOSIS Coding
- Cooperative Coding

CODING SPED EXPENDITURES



New Code Structure

Fund Type	Function Code	Object Code	Location Code	Source of Funds	Project Code
3 Digits	4 Digits	4 Digits	4 Digits	1 Digit	5 Digits

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

DESE has been in contact with and training most software vendors on the new accounting code structure.

Fund Type



The Fund Type consists of two basic elements: the first two digits indicate the type of fund and the last digit indicates the fiscal year.

The Fund Type should be utilized to track expenditures for two different grant cycles in the same general ledger (i.e. FY18 grant fund and FY19 grant funds).

Fund Type Codes and Example

FUND TYPE DESCRIPTION	FUND CODE
General Fund	10X
Teachers Fund	20X
Debt Service Fund	30X
Capital Projects Fund	40X

Reporting Costs in Different Grant Years

- LEAs have from the date the initial budget is submitted or July 1st, whichever is later, until June 30th to obligate federal funds.
- Funds can be spent for obligated costs until September 30th.
- While the cost was obligated in 2017-18, the 2018-19 general ledger will show the expenditure.

Example:

Cost obligated on June 15, 2018. Cost paid with FY18 Federal funds on July 15, 2018.

- The LEA must designate in the expenditure code that the cost was paid with 2017-18 federal grant funds. The fund code may be used to distinguish grant years.

Function Code

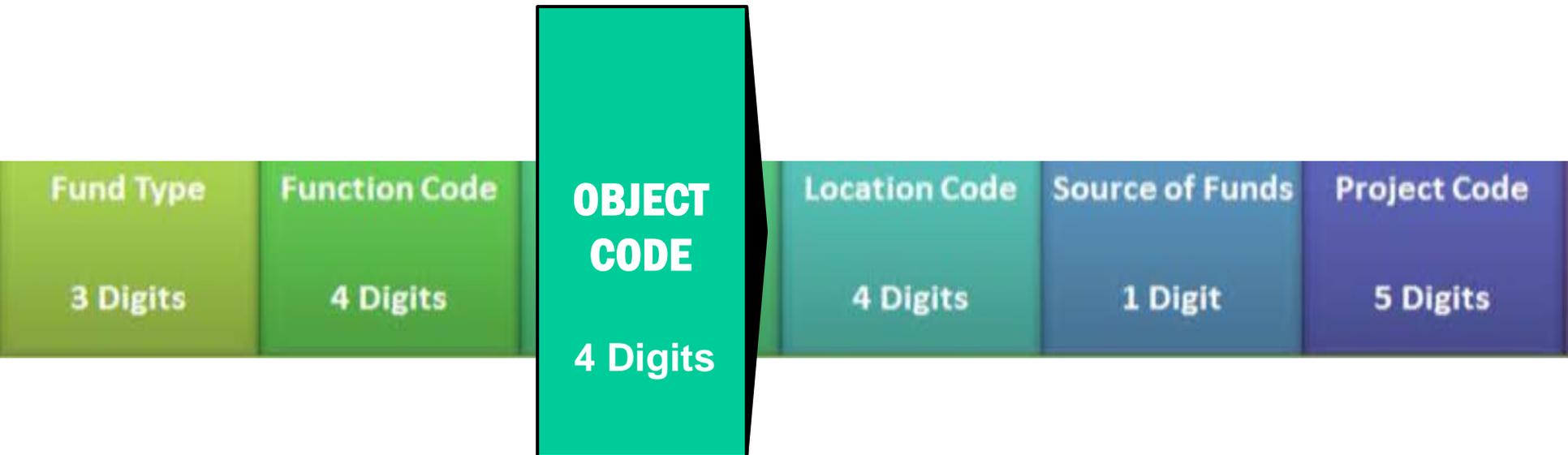


The Function Code describes the action, purpose, or program for which activities are performed.

Starting in FY19 (July 1, 2018), LEA may utilize function codes outside of 1221 for K-12 special education expenditures and outside of 1281 for Early Childhood Special Education expenditures.

FUNCTION CODE DESCRIPTION (SPECIAL EDUCATION)	PROG	FUNCTION CODE
Behavioral Professional/Behavioral Therapist	Both	2191
<i>Building Maintenance/Janitorial Services (2541-2549)</i>	Both	<i>2540</i>
Case Management	Both	2191
<i>Child Find Costs</i>	Both	<i>2329</i>
Coordinated Early Intervening Service (CEIS) (all costs)	Sped K-12	1223
Counseling Services	Both	2122
<i>Director</i>	Both	<i>2329</i>
Educational Diagnostician	Both	2191
<i>Facilities Range (codes in 4000 range)</i>	Both	<i>4000</i>
IEP Tracking Software	Both	2125
Interpreter	Both	2152
<i>Legal fees for Child Complaint</i>	Both	<i>2311</i>
<i>Supplies/Equipment for Director/Process Coordinator</i>	Both	<i>2329</i>
Supplies/Equipment used for ECSE classroom instruction	ECSE	1281
Supplies/Equipment used for sped classroom instruction	Sped K-12	1221
<i>Supplies/Equipment used for therapy (codes 2152, 2162, 2172, 2182)</i>	Both	<i>2100</i>
Nurse - Personal/School	Both	2134
Occupational Therapy	Both	2162
Orientation & Mobility Specialist	Both	2191
Other Related Services Personnel	Both	2191

Object Code

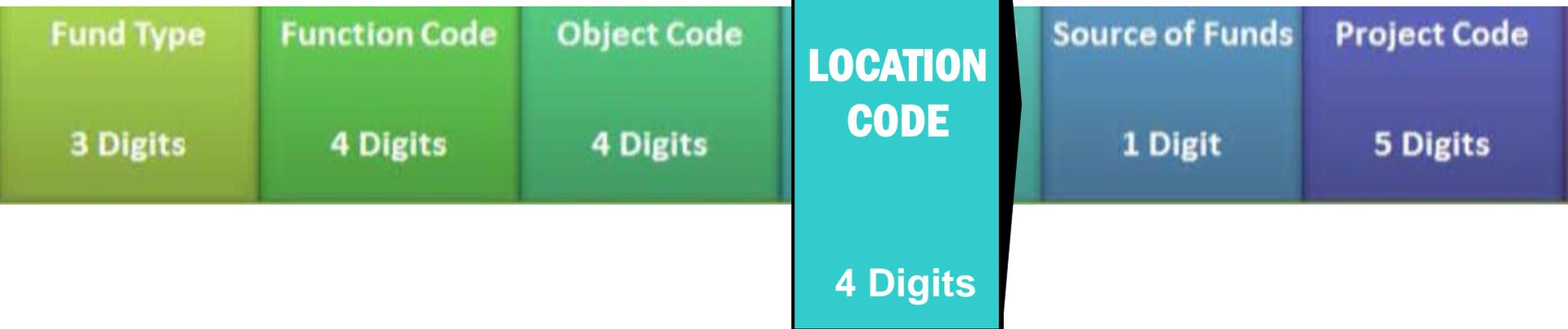


The Object Code describes the service or commodity obtained as a result of a specific expenditure.

Object Code

OBJECT DESCRIPTION	OBJECT CODE
Certificated Teacher Salaries	6110
Classified Salaries	6150
Employee Benefits	6200
Purchased Services	6300
Supplies and Materials	6400
Capital Outlay	6500

Location Code



The Location Code refers to individual campuses within a LEA and individual components within the administration, school service, and maintenance and operation divisions.

Location Code

LOCATION DESCRIPTION	LOCATION CODE
Central Office	1000
Elementary Building 1 (includes ECSE)	4020
Elementary Building 2 (includes ECSE)	4025
Elementary Building 3 (includes ECSE)	4030
Middle School Building 1	3000
Middle School Building 2	3020
High School Building 1	1050
High School Building 2	1070
Building Codes that begin with 102X, 103X, or 11XX*	Not Applicable

**Unless an exception has been provided*

The LEA must use DESE's Core Data building codes to distinguish separate campuses. Expenditures can only be coded to locations where student data is reported (Core Data Screen 16). Expenditures must be prorated among buildings, either by the LEA or by DESE, depending on the function code where cost is reported.

Source of Funds



The Source of Funds Code is used to identify a subset of revenue used to fund a specific expenditure. LEAs must assign a Source of Funds Code to expenditures funded by each type of revenue.

Source of Funds

SOURCE DESCRIPTION	SOURCE CODE
Local	1
County	2
State	3
Federal	4

Project Code



The Project Code is used to identify an expenditure paid for with a specific source of revenue or part of a specific grant.

Range of Codes Reserved for DESE Assignment	Range of Codes Open for LEA Use for Other Purposes
	00001-09999
12000, 12210, 12810	10000-19999
	20000-29999
30000-39999	
40000-49999	
	50000-59999
	60000-69999
	70000-79999
	80000-89999
	90000-99999

Project Code – Federal Funds

PROJECT DESCRIPTION UTILIZING FEDERAL FUNDS	PROJECT CODE
Assistive Technology Reimbursement (5437)	43700
Project Search Grant (5437)	43701
Special Education Drop Out Prevention (5437)	43702
Special Education High Need Fund - Federal (5437)	43703
Special Education SET Training (5437)	43704
Special Education SWIS (5437)	43705
State-Wide Collaborative Work Initiative (IDEA funds 5437)	43706
Special Education Transition (5437)	43707
Special Education MO Model Districts (IDEA funds 5437)	43708
State-Wide Collaborative Work Initiative (SPDG funds 5438)	43800
Special Education MO Model Districts (SPDG funds 5438)	43801
IDEA Entitlement Funds, Part B IDEA (5441)	44100
IDEA - 611 ECSE (5442)	44200
IDEA - 619 ECSE (5442)	44201

Project Code – State, Local & County Funds

PROJECT DESCRIPTION - STATE/LOCAL/COUNTY FUNDS	PROJECT CODE
Special Education Cooperatives (5811 Fiscal Agent Only)	12000
K-12 Special Education Expenditure	12210
ECSE Expenditure	12810

Project Code – Any Funds

PROJECT DESCRIPTION UTILIZING ANY FUNDS	PROJECT CODE
School Wide Pool Expenditure	40001
Early Learning Blended Expenditure	40002

Project Code – Identification of Awards

Federal Award Identification						
CFDA Title	CFDA Number	Federal Award Identification Number (FAIN)	Fiscal Year of Award	Name of Federal Agency	Name of Pass-Through Entity	Project Code Used to Identify Grant Expenditures
Spec Ed Part B Entitlement	84027A	H027A150040	FY16	US Department of Education	MO DESE	44100
Spec Ed Part B Entitlement	84027A	H027A160040	FY16	US Department of Education	MO DESE	44100
ECSE-Federal (611)	84027A	H027A160040	FY16	US Department of Education	MO DESE	44200
ECSE-Federal (619)	84173A	H173A160103	FY16	US Department of Education	MO DESE	44201
Title I	84010A	S010A150025	FY16	US Department of Education	MO DESE	45100
Title II.A	84367A	S367A150024	FY16	US Department of Education	MO DESE	46500
REAP	84.358A	S358A160862	FY16	US Department of Education	US Dept of ED	49200

Project Code Used to Identify Grant Expenditures
44100
44100
44200
44201
45100
46500
49200

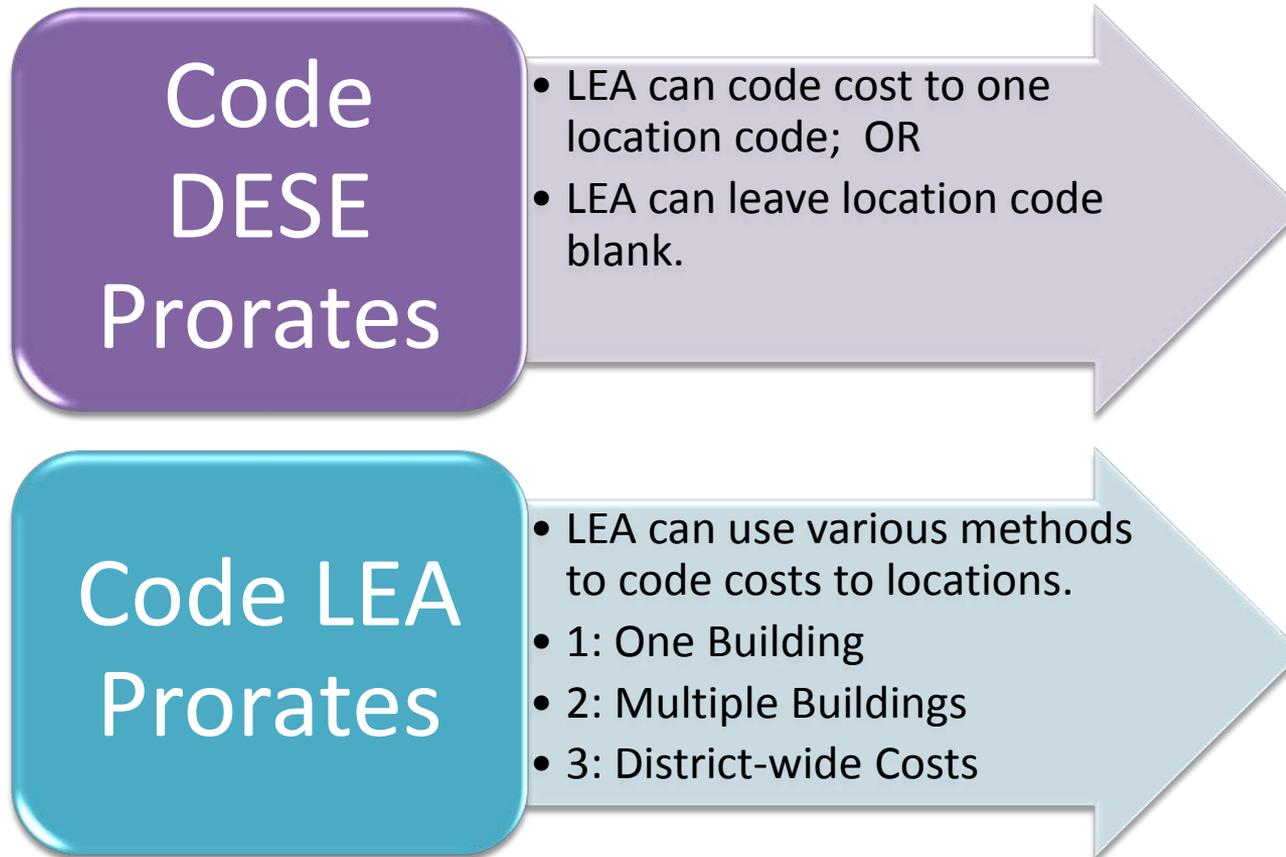
<https://dese.mo.gov/financial-admin-services/general-federal-guidance>

PRORATING SPED EXPENDITURES



Proration of Costs by Building

LEAs must report current year expenditures by building in the ASBR. Expenditures will be prorated either by DESE or the LEA.



One Building

Method I: Expenditures tied to one building/location

- Option 1: Expenditures tied to only one building/location (no proration)

Multiple Buildings

Method II: Expenditures specifically tied to multiple buildings/locations

Prorate costs by:

- Option 1: Time spent within each building
- Option 2: Students served within each program and/or building
- Option 3: Expenditures tied to multiple programs
- Option 4: Total enrollment in applicable buildings

District-wide Expenditures

Method III: District-wide expenditures not tied to specific buildings

Prorate costs by:

- Option 1: Total enrollment in each building
- Option II: Students served within each program for all buildings

REPORTING SPED EXPENDITURES



FY19 ePeGs Changes

Budget Application:

- Function codes include: 1221, 1223, 1224, 1281 (MOE only), 1930, 2100, 2200, 2300, 2400, 2500, 2553, 2554, 2557, 2559 (MOE only)

Payment Request:

- Function codes include: 1221, 1223, 1224, 1930, 2100, 2200, 2300, 2400, 2500, 2553, 2554, 2557

FY19 ePeGs Changes

Special Education Part B FER:

- Expenditures reported in the ASBR with project code 44100 will pull onto the Part B FER Grid.
- Expenditures reported in the ASBR with source codes 1 and 2, project codes 12210 and 12810 will pull onto the MOE Local Grid.
- Expenditures reported in the ASBR with source code 3, project codes 12210 and 12810 will pull onto the MOE State Grid.
- The ASBR comparison page will be removed.
- The FER may not be submitted until the ASBR is submitted.

FY19 ePeGs Changes

ECSE FER:

- The FER will pull all costs from the ASBR with the ECSE project codes (12810, 44200, 44201).
- Costs no longer have to be reported under function code 1281 and 2559 only for reimbursement.

OTHER PART B REQUIREMENTS



WHAT IS MOE?

LEAs must use State and/or local funding to support the special education program.

Two requirements:

- MOE Eligibility (Budget)
- MOE Compliance (FER)

METHODS FOR MEETING MOE

LEAs must meet MOE eligibility and compliance by one of the following methods:

- Total Local/County Funds Only
- Per Child Local/County Funds Only
- Total Combination of State and Local/County Funds
- Per Child Combination of State and Local/County Funds

NEW CODING AND MOE

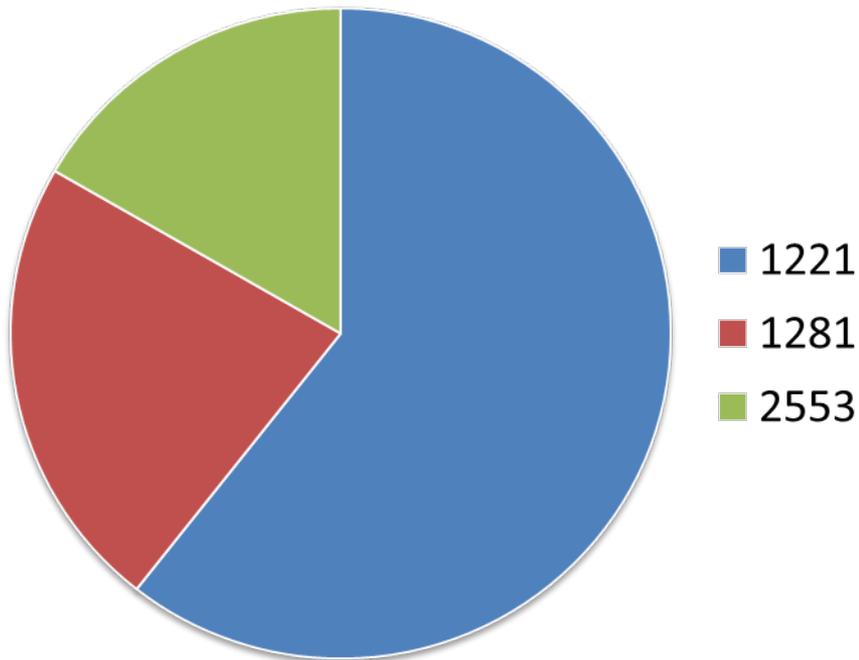
- The coding structure change will not impact MOE requirements.
- The total expenditures should not be changing, only where the expenditures are coded to is changing.
- LEAs may change function codes and object codes as needed to meet the new coding requirements.
- LEAs may change project codes as needed as long the LEA continues to spend the same amount of state and/or local/county funds as the year in which the LEA last met MOE.

MOE COMPARISON

2017-18

MOE State and Local Total

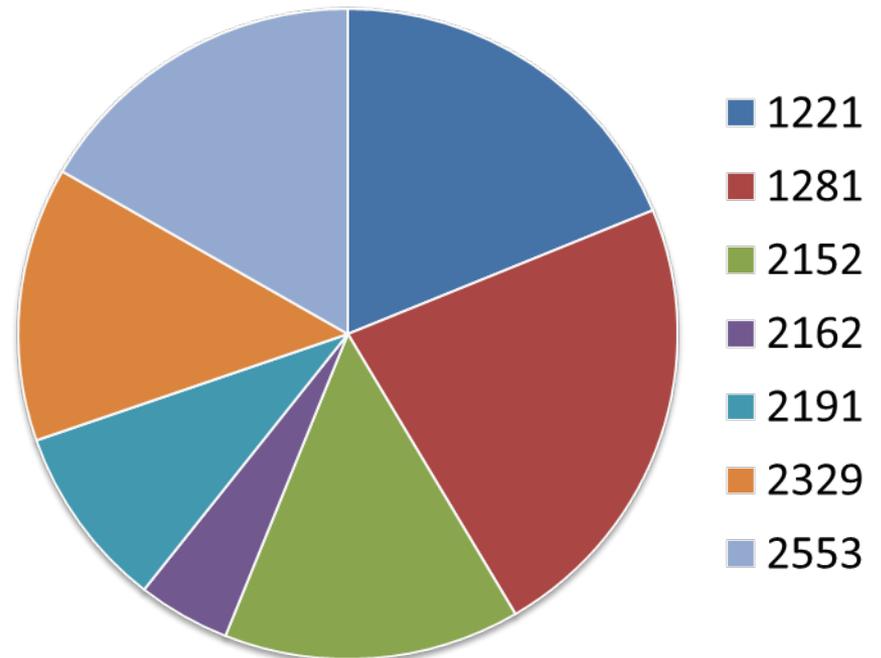
Total = \$330,000



2018-19

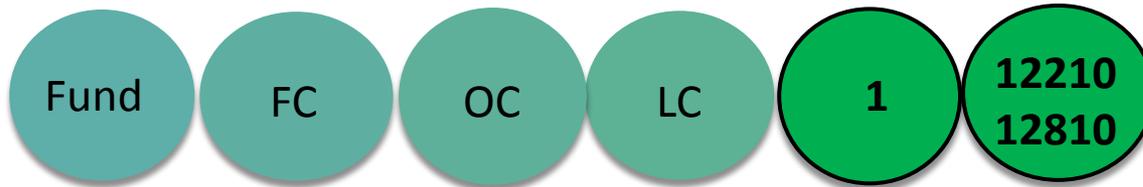
MOE State and Local Total

Total = \$330,000

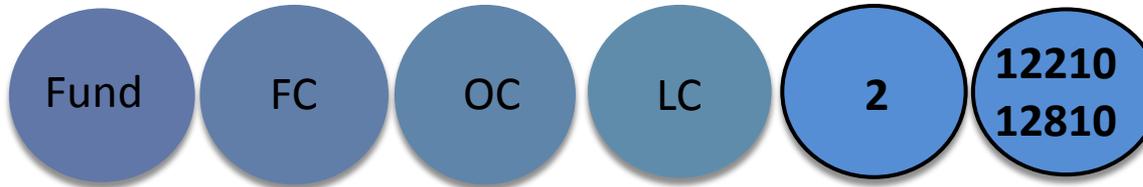


MOE REPORTING

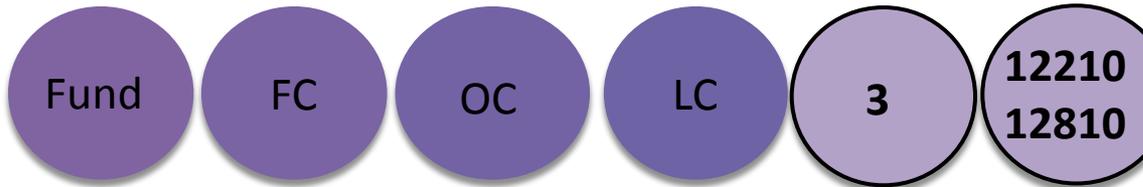
Special Education Costs Paid with Local Revenue



Special Education Costs Paid with County Revenue



Special Education Costs Paid with State Revenue



Proportionate Share

- LEAs with a proportionate share obligation must reserve and spend the proportionate share amount of IDEA Part B federal funds on special education and related services to parentally-placed private/parochial/home school students with disabilities in the LEA's boundaries.
- All non-transportation expenses charged for proportionate share services will be coded to function code 1224, even if the cost is non-instructional. This cost should be prorated by the LEA.
- All transportation expenses charged for proportionate share will be coded to function code 2557. This cost will be prorated by DESE.

Coordinated Early Intervening Services

- LEAs may use up to 15% of IDEA Part B Federal funds to provide coordinated early intervening services (CEIS) to K-12 students in the LEA without disabilities, but who are struggling to succeed in the general education environment.
- All expenses charged for coordinated early intervening services (CEIS) will be coded to function code 1223, even if the cost is non-instructional. This cost should be prorated by the LEA.

MOSIS REPORTING



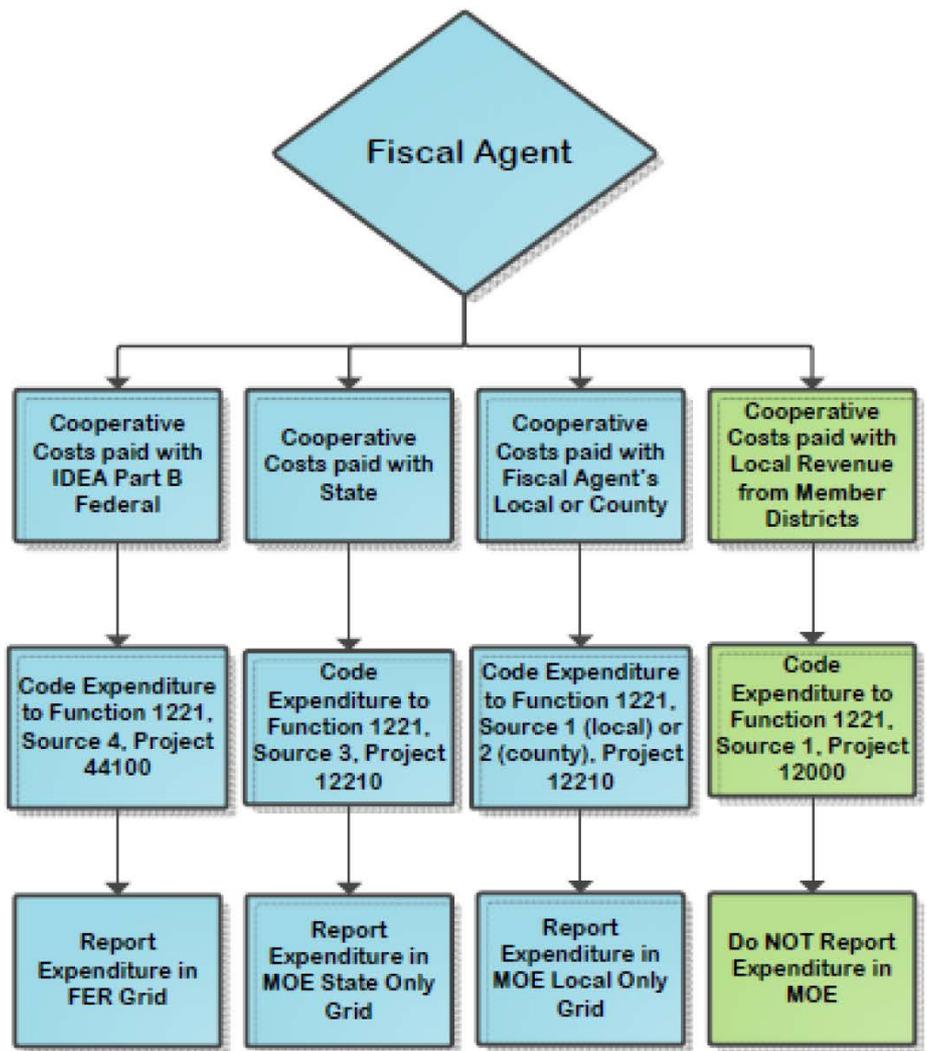
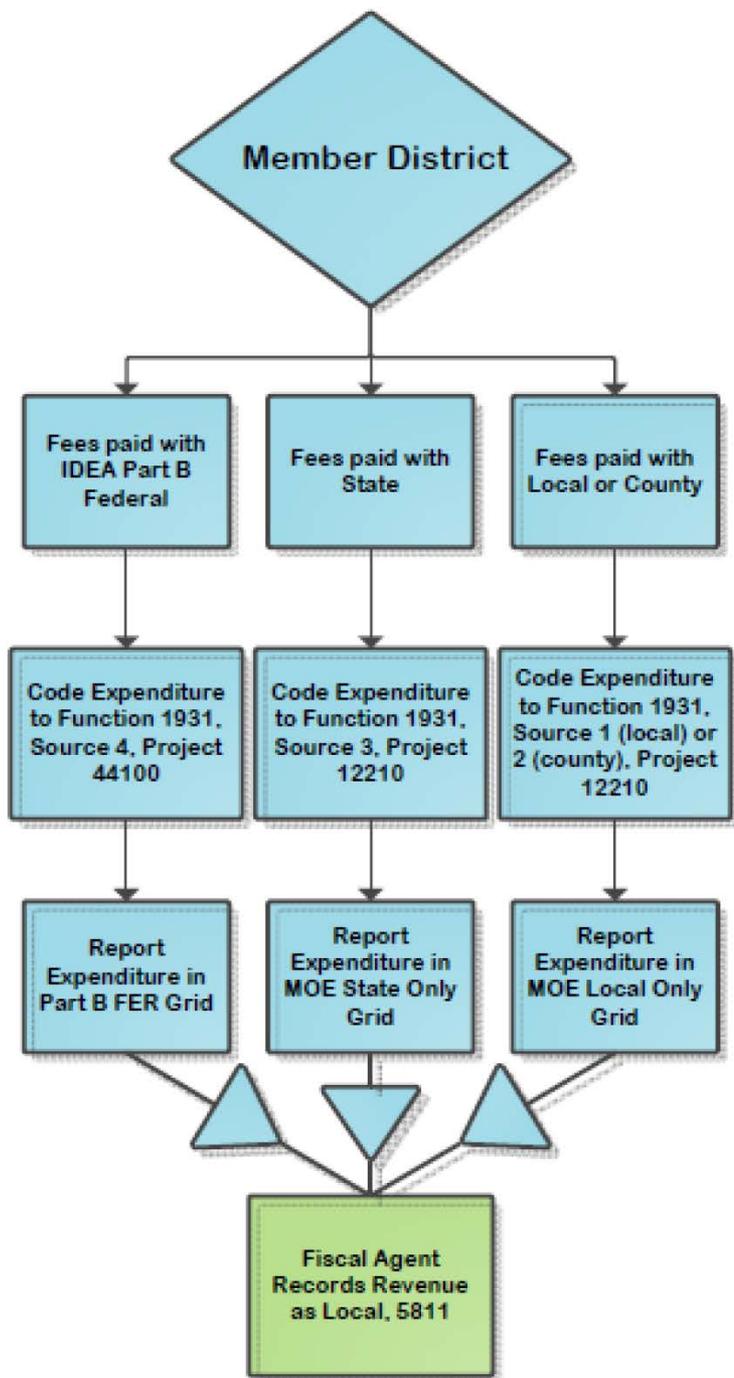
MOSIS/CORE DATA Coding

- MOSIS/Core Data FTE coding among buildings may not match expenditure coding.
 - MOSIS/Core Data should be prorated by the employee's actual work activities across buildings.
 - FTE expenditures should be prorated by the applicable method.

COOPERATIVES

<https://dese.mo.gov/financial-admin-services/special-education-finance/cooperatives>





OTHER RESOURCES



Other Resources

- Special Education Training PowerPoint
<https://dese.mo.gov/financial-admin-services/special-education-finance/special-education-finance-presentations>
- Special Education Coding Webinar
<https://dese.mo.gov/communications/webinar/webinar-recorded>
- School Finance Resources
<https://dese.mo.gov/financial-admin-services/school-finance/fy-2019-accounting-changes>

Other Resources

Accounting Structure Changes Starting July 1, 2018

Missouri Financial Accounting Manual Sections

- [Accounting Code Overview](#) 
- [Location Codes](#) 
- [Project Codes](#)  - New 2-9-2018
- [Source Codes](#) 

Additional Guidance Pertaining To Accounting Changes

- [ESSA Coding Changes Guidance](#)  - New 1-24-2018
- [Revenue and Function Codes Required at a Building Level](#)  - New 2-9-2018
- [ASBR Changes](#)

Other Department Contacts

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QUESTIONS?

