

QUICK REFERENCE

Special Education Funding



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QUICK REFERENCE

Special Education Funding

This quick reference is intended for staff members responsible for the budgeting and expenditure of special education funds.

Included in the Quick Reference:

- Local, State, and Federal Special Education Revenue and Expenditures
- Fund Sources, Cycles, and Federal/State Indirect Cost Requirements
- Fiscal Compliance Requirements
 - Federal
 1. Maintenance of Effort (MOE)
 2. MOE Voluntary Reduction
 3. Coordinated Early Intervening Services (CEIS)
 4. Excess Cost
 - State
 1. 52/48 Rule
- EDGAR Requirements and Special Education Allowable Expenditures
- Account Code Structures and Frequently Used Account Codes

Revenue

Local/State/Federal Revenue

AA = Adjusted Allotment ADA = Average Daily Attendance CTE = Career and Technical Education FTE = Full-Time Equivalent
 ABA = Adjusted Basic Allotment IA = Instructional Arrangement LEA = Local Education Agency

| Fund Source | | Purpose of Funds | Revenue Based On |
|-------------|--|---|---|
| LOCAL | Fund 199 | Allowable expenditures at the LEA's discretion | Tax Collection (Districts) Net Assets (Charters) |
| STATE | Regular Allotment Fund 199 and 420 (Charters) | Services, materials, supplies, and equipment for all students | Regular Foundation School Program (FSP): Regular Program Attendance (minus SPED and CTE FTEs) multiplied by AA/ABA |
| | SPED Allotment Fund 199 and 420 (Charters); PIC 23 and 33 | Special services, materials, supplies, and equipment to develop and implement IEPs; not ordinarily purchased for the regular class | SPED Foundation School Program (FSP): Special Education Allotment plus Mainstream Allotment |
| FEDERAL | IDEA, Parts B, C, and D | Excess cost of providing special education and related services to children with disabilities Supplement state, local, and other federal funds | IDEA Entitlement Components: Base: SPED Student Count Population: Total LEA Student Count Poverty: Total LEA Student Count Or Base Only |

State Foundation School Program (FSP) SPED Revenue

State SPED revenue is posted in the Summary of Finance (SOF), Tier 1 Allotments, and SPED FTE Detail Reports.

SPED Allotment:

SPED attendance is converted to contact hours by the statewide average for the instructional arrangement (IA) set in 1992–1993 and then to FTEs. Contact hours may not exceed 6 hours/day or 30 hours/week for funding purposes.

$$\text{Eligible SPED Days} \times \text{Statewide Average Contact Hours (for each IA)} = \text{SPED Contact Hours for Each IA}$$

$$\text{SPED Contact Hours for Each IA} \div \text{Days of Instruction} \times 6 \text{ Hours/Day} = \text{SPED FTEs for Each IA}$$

The FTE for each instructional arrangement is multiplied by the weight for the instructional arrangement, then multiplied again by the LEA's AA/ABA. Charters use a state average instead of AA/ABA in the formula.

$$\text{SPED FTEs for Each IA} \times \text{Weight (for that IA)} = \text{Weighted FTEs for Each IA}$$

$$\text{Total Weighted FTEs} \times \text{AA/ABA or State Average for Charters} = \text{SPED Allotment}$$

Mainstream Allotment:

Exception: Funding for mainstream is based on the Average Daily Attendance (ADA) of the students in that instructional arrangement multiplied by 1.1 AA/ABA.

$$\text{Mainstream ADA} \times \text{AA/ABA} \times 1.1 \text{ Weight} = \text{Mainstream SPED Allotment}$$

Funds generated by one instructional arrangement may be spent on the overall program. A state special education fund balance may be carried over to the next fiscal year and must be expended on SPED. State SPED carryover funds cannot be used for administrative costs. Chapter 41 districts do not receive state SPED funds. These districts must spend the equivalent in local funds.

State Revenue Funds Unique to Special Education

Special Transportation *Fund 199/420 for Charters*

Funds are generated by multiplying the total eligible special route mileage by the per-mile rate for the category. IDEA-B funds may be used to cover the excess cost. IEP services include access to the following:

- Academic programs
- Related services
- Extended school year
- Community-based life skills training
- Developmental, corrective, and other supplementary supportive services, including health exams, diagnostic testing, counseling, and therapy

Extended School Year (ESY) *Fund 199; SSA member districts file own data*

State funds cover services to students based on regression/recoupment data and/or loss of acquired critical skills. Funds are 75% of the applicable allotment for each FTE multiplied by the instructional arrangement for each ESY day, and then divided by the number of days in the minimum school year. Funds flow to LEAs through FSP payments.

Auditory and Visual Impairments *AI: Fund 386 or 435 for SSA. VI: Fund 385 or 434 for SSA*

- State Deaf funds specific to auditory impairments flow to Regional Day School Programs for the Deaf. Funds are based on number of weighted FTE equivalent students served. No carryover is allowed.
- State Supplemental Visually Impaired (SSVI) funds flow to the Texas School for the Blind/Visually Impaired and Education Service Centers (ESCs) based on student counts. No carryover is allowed.

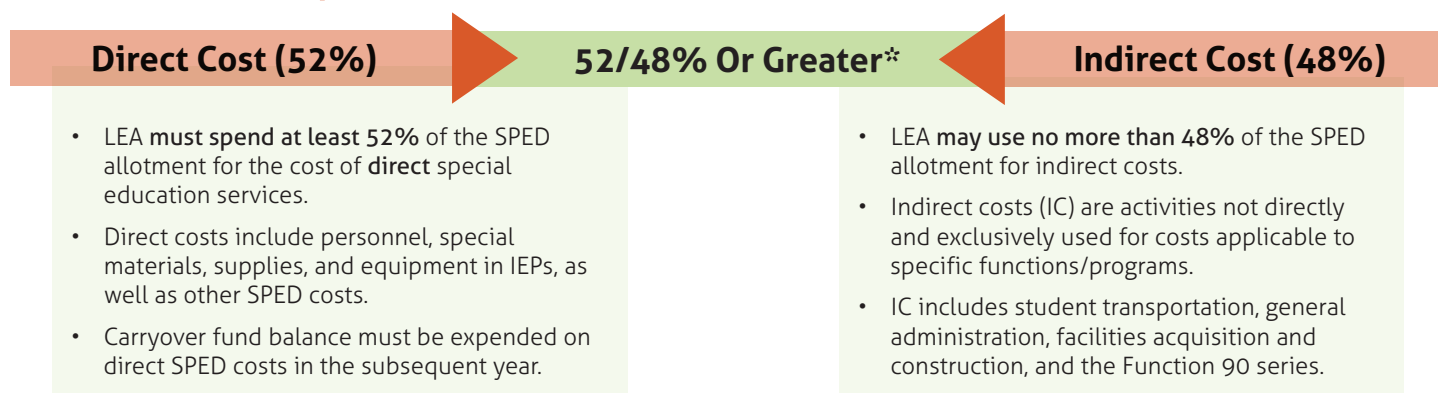
Non-educational Community-Based Support *Fund 392; LEAs apply to ESCs*

State funds provide services to students at risk for, or returning from, residential placement for educational reasons. Services are to be periodic, short-term, and non educational. Carryover by LEAs using the funds is not allowed.

- Respite care*
- Attendant care*
- Psychiatric/psychological consultation
- Management of leisure time
- Socialization training
- Individual support
- Family support
- Family dynamics training
- Generalization training
- Peer support group
- Parent support group
- Transportation to approved services

*Students with autism are limited to respite and attendant care services.

State Fiscal Compliance: 52/48 Rule



Carryover funds cannot be used for administrative costs.

*Annually, LEA may choose to use greater indirect cost allotment if less funding per weighted student was received in state and local maintenance and operations revenue than in 2011–2012. Increase in IC percentage may be no more than the percentage decrease in state and local maintenance and operating revenue from 2011–2012.