



West Virginia DEPARTMENT OF
EDUCATION

IDEA Financial Updates

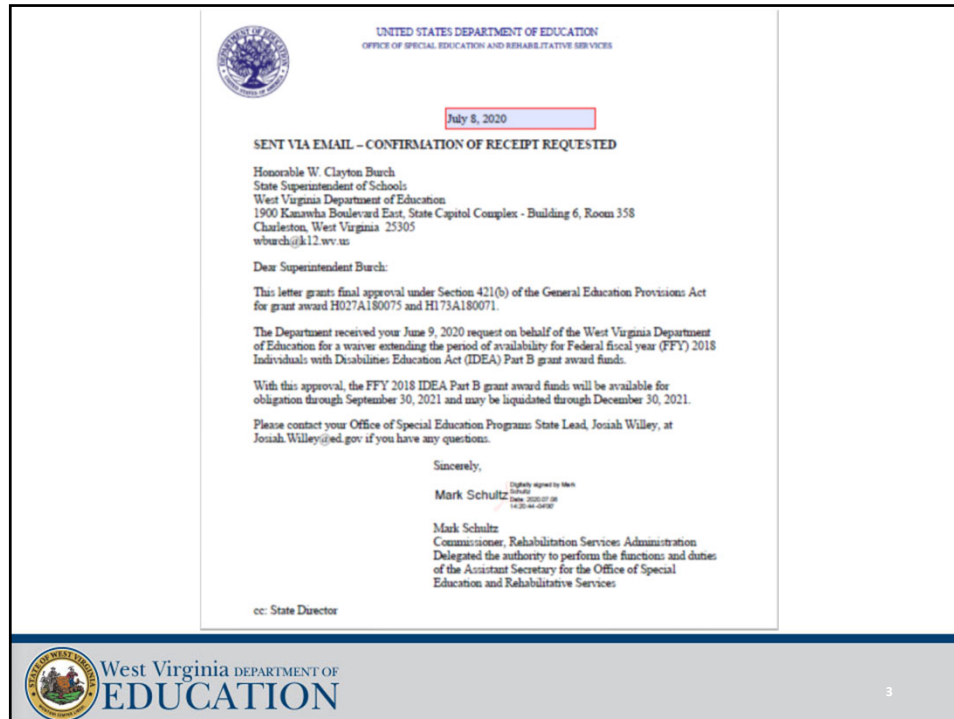
Presented by: Shana Clay, CPA

July 13, 2020

COVID-19 Updates



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12 Month Extension – FFY18 Funds

- Funds will be available to be obligated through September 30, 2021 and liquidated through November 15, 2021.
- IDEA Part B 611 – School Age
 - FY19 Entitlement Grants
 - FY19 High Cost/High Acuity Grants
 - FY20 Results Driven Priorities (RDP) Grants
- IDEA Part B 619 – Preschool
 - FY19 Entitlement Grants
 - FY19 Discretionary Grants

OSEP Q&A – June 25, 2020

Q: How can local educational agencies (LEAs) utilize IDEA Part B subgrant funds to address conditions caused by the COVID-19 pandemic?

A: IDEA Part B funds may be used only to pay the excess costs of activities that directly relate to providing, and ensuring the continuity of, special education and related services to children with disabilities. For example, an LEA may use IDEA Part B funds to disseminate health and COVID-19 information that is specifically related to children with disabilities, to develop emergency plans for children with disabilities, or to provide other information (e.g., guidance on coordination of the provision of services in alternate locations) to parties who may need such information. LEAs may also use IDEA Part B funds to engage in activities necessary to resume the provision of special education and related services to children with disabilities.



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OSEP Q&A – June 25, 2020

Q: Are SEAs and LEAs able to use IDEA Part B funds to purchase equipment necessary to increase their capacity to support remote learning for students with disabilities?

A: OSEP acknowledges that, particularly during the COVID-19 pandemic, SEAs and their LEAs may need to purchase equipment and other assets (such as software, mobile hot spots, or devices like laptops and tablets), including related assistive technology, in order to support increased accessibility to remote learning platforms for students with disabilities. Under 34 C.F.R. 300.718(a), if OSEP determines that an IDEA Part B program will be improved by permitting program funds to be used to acquire appropriate equipment, (such as a dedicated communication device for an individual student with a disability), OSEP is authorized to allow the use of those funds for those purposes. Equipment and other assets purchased with IDEA Part B funds may be transferred from school to home, as needed for use by students with disabilities in remote learning settings.



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Polling Question #1



Maintenance of Effort (MOE)



Part B LEA MOE

- IDEA MOE Regulations:
 - IDEA requires that LEAs must budget and expend the same amount of local funding for special education as it expended in the previous fiscal year. (34 CFR §300.203)



Part B LEA MOE

- The amount of local, or State and local, funds expended for the education of children with disabilities is the amount of funds that establishes the level of expenditures to be maintained from year to year and establishes the MOE level.



Supplement not Supplant

Funds under Part B must be used to supplement State, local and other Federal funds and not to supplant them (See 34 CRF §300.202(a)(3))

If a LEA **maintains** its fiscal effort, it will only be using Part B funds to supplement local, or state and local funds, and not to supplant them and thus meets the supplement/not supplant requirements.



MOE-Eligibility and Compliance

Eligibility Test

- Local special education budget amounts compared to prior year actual expenditures
- Determines whether an LEA is "eligible" to receive the IDEA entitlement grants

Compliance Test

- Local special education actual expenditures two-year comparison
- Determines whether an LEA is in final compliance with the MOE requirement



MOE-Eligibility and Compliance

Failing Eligibility Test

- LEA may not receive an IDEA allocation for fiscal year tested

Failing Compliance Test

- LEA must repay an amount equal to the short-fall
- Must use non-federal funds for repayment
- Possible single audit finding



MOE-Assurance for Funding Eligibility

- To be eligible for plan approval and to receive a grant awards for FY 21, the LEA must submit a FY 21 LEA budget that assures MOE will be met
- Medicaid funds spent for students with disabilities are NOT counted as local funds for the purpose of MOE (CSBO codes Medicaid revenues and expenditures in WVEIS which are excluded from calculation. Use Project 00Y83)



Eligibility – FY21 Budget Amount

Public District - FY 2021 - IDEA and State Aid Entitlement - Rev 0 - IDEA and State Aid Entitlement


Go To ▶

Per Child Amount	
Enter the amount of State and Local Funds or Local Funds Only budgeted to provide special education and related services to students with disabilities during the 2020-2021 School Year. Do not include Medicaid funds.	* \$
December 1, 2019 Child Count (The December 2019 child count is used for estimation purposes, however, the actual amount the LEA is required to spend will be calculated on the December 2020 child count, when available.)	168
Per Child Amount Budgeted from State and Local Funds or Local Funds only for the 2020-2021 School Year	\$ 0.00

Provide allowable reasons for approved reduction in maintenance of effort, if any. Allowable reasons for reduction include:

1. The voluntary departure, by retirement or otherwise, or departure for just cause, of special education or related services personnel (paid with state funds and replaced with less costly personnel or not replaced).
2. A decrease in the enrollment of children with disabilities (for the years in question).
3. The termination of the obligation of the agency, consistent with Part B, to provide a program of special education to a particular child with a disability that is an exceptionally costly program.
4. The termination of costly expenditures for long-term purchases, such as the acquisition of equipment or the construction of school facilities.
5. The assumption of cost by the high cost fund operated by the SEA under 34 CFR 300.704(c).

* The above comparison is based on the most current available expenditures data, however, to meet MOE for 2020-2021, the LEA must meet or exceed the level of state/local or local only expenditures for the immediate prior year (2019-2020). The LEA assures FY21 expenditures will be adjusted as needed to meet MOE when the immediate prior year expenditures are available.




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Four Tests to Meet MOE

- An LEA needs to only meet ONE of the following comparison tests:
 - 1) Local & State expenditures in total for SWD
 - 2) Local Only expenditures for SWD
 - 3) The per student amount of Local & State expenditures for SWD
 - 4) the per student amount of Local Only expenditures for SWD

First must budget adequate amount, then must spend



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MOE Federal Clarification

- Consolidated Appropriations Act, 2014
 - That the level of effort a local educational agency must meet under section 613(a)(2)(A)(iii) of the IDEA, in the year after it fails to maintain effort is the level of effort that would have been required in the absence of that failure and not the LEA's reduced level of expenditures.



Examples of a Compliance Analysis Based on a Combination of State and Local Funds

Table 1. LEA Maintained Effort in 2019-2020			
Fiscal Year	Actual level of effort	Required level of effort	Notes
2018-2019	\$100	\$100	LEA met MOE requirement
2019-2020	\$90	\$90	LEA properly took exceptions and adjustment allowed by code
2020-2021		\$90	Required level of effort is \$90 because LEA expended \$90 and met MOE in 2019-2020


Table 2. LEA Did Not Maintain Effort in 2019-2020			
Fiscal Year	Actual level of effort	Required level of effort	Notes
2018-2019	\$100	\$100	LEA met MOE requirement
2019-2020	\$90	\$100	LEA did not maintain effort
2020-2021		\$100	Required level of effort is \$100 despite LEA's failure in 2017-2018



Examples of an Eligibility Analysis Based on a Combination of State and Local Funds


Table 3. LEA Maintained Effort in 2018-2019			
Fiscal Year	Actual level of effort	Required level of effort	Notes
2017-2018	\$130	\$130	LEA met MOE requirement
2018-2019	\$150	\$130	LEA met MOE requirement
2019-2020			Final expenditure data are not available when budgeting for 2020-2021
2020-2021		\$150	Required level of effort to budget for 2020-2021 is \$150 because LEA expended \$150 and met MOE in 2018-2019

Table 4. LEA Did Not Maintain Effort in 2018-2019			
Fiscal Year	Actual level of effort	Required level of effort	Notes
2017-2018	\$130	\$130	LEA met MOE requirement
2018-2019	\$100	\$130	LEA did not maintain effort
2019-2020			Final expenditure data are not available when budgeting for 2020-2021
2020-2021		\$130	Required level of effort to budget for 2020-2021 is \$130 despite LEA's failure in 2018-2019



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Polling Question #2



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LEA MOE Exceptions

34 CFR §300.204 provides exceptions for:

- voluntary departure, by retirement or otherwise, or departure for just cause, of special education or related services personnel – hiring staff who fall lower on the pay scale;
- decrease in the enrollment of students with disabilities;
- termination of costly long-term purchases such as the acquisition of equipment or construction of school facilities;



LEA MOE Exceptions

- Termination of an exceptionally costly obligation to a particular child with a disability because the child
 - Has left the jurisdiction;
 - Has reached the age at which the obligation to provide FAPE to the child is terminated; or
 - No longer needs the program of special education
- Assumption of cost by a high cost fund operated by the SEA under 34 CFR §CFR 300.704(c)



Part B LEA Adjustments

With certain exceptions, for any fiscal year for which an LEA's Part B allocation under section 611 exceeds the amount the LEA received for the previous fiscal year, the LEA may reduce the level of expenditures otherwise required for MOE by not more than 50% of the amount of the excess

See 34 CFR §300.205(a)



Part B LEA Adjustments

An LEA is eligible to make the 50% reduction if the LEA:

- Receives an increase in section 611 funds
- “meets requirements” under the sec. 616 determinations
- Has not had action taken against it by the SEA under IDEA section 616
- Has not had responsibility for providing FAPE taken from it by the SEA
- Has not been found by the SEA to have significant disproportionality under 34 CFR §300.646



LEA MOE Exceptions

- In all the exceptions noted on the previous slides, appropriate and thorough documentation must be submitted in each case to support the amount, reason, and/or justification for the exception.



MOE Calculation – State/Local

- Include
 - Total Expenditures in funds 11, 12, 2X, 3X, 4X, 5X, 61 and 71
 - Projects 00YXX – 29YXX, 52YXX and 9XYXX
 - Program/Function code 2XXXX
- Exclude
 - Projects 04YXX, 00Y83
 - Program/Function Code 41471 (Gifted)
 - Object Codes 217 and 235



MOE Calculation – Local Only

- Total Revenues in funds 11 & 12, Project 00YXX, Revenue Source Code 01XXX (Excluding project 00Y83 – Medicaid) / Total Revenues in funds 11 & 12, Project 00YXX, ALL Revenue Source Codes (Excluding Revenue Source Code 04221 and project 00Y83 – Medicaid)
- Dividing the first total into the second total provides the percentage of local revenue to total of state and local revenue
- Total State and local expenditures in Program/Function 2XXXX, Funds 11 & 12, Project 00YXX (Excluding project 00Y83 – Medicaid and Program/Function 41471 – Gifted)
- Multiply total expenditures by the percentage of local revenue calculated above to find the amount of expenditures attributable to local sources



West Virginia Department of Education

2021 CUSTOM SDC99999 PRD

Home Menus Active Recent Support Contact Reports Print Exit Logout

Go Application Software All Items

Products	Menus	Programs	
[-] _USER	User Self-Administration		☆
[-] USER	User Self-Administration	(No programs available in USER.)	☆
[+] SMS	Student Management System		☆☆
[-] SMS100	Student Management Maintenance		☆☆
	+ STU_301	Maintain Student Information	☆☆
[+] SMS500	Student Discipline System		☆☆
[+] SPE	Special Education System		☆☆
[-] SPE100	Special Education Maintenance	(No programs available in SPE100.)	☆☆
[-] SPE200	Special Education Reports		☆☆
	IER.UPLD	IEP Upload Application	☆☆
	+ SE.FORMS	Special Education Fillable Forms	☆☆
	+ SPE.ADA	Annual Desk Audit	☆☆
	SPE.MOE	Maintenance of Effort ←	☆☆
[+] WVR	West Virginia State Reporting		☆☆
[-] CFM999	ColdFusion Testing Menu		☆☆
	+ WOW.TTLP	WOW TTLP	☆☆
[-] WVRCTE	Career Technical Education		☆☆
	CTE.AC	Approved Curriculum	☆☆
	CTE.ACE	Advanced Career Education	☆☆
	CTE.ADM	Administration	☆☆
	CTE.ASMTS	CTE Assessments	☆☆
	CTE.CMPLTR	Completers	☆☆

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MAINTENANCE OF EFFORT CALCULATION
STATE AND LOCAL FUNDS - COMPLIANCE TEST FOR FY 2021

	FY 19	FY 18	Increase or (Decrease)
1. Total Expenditures in Funds 11, 12, 20, 31, 40, 61, and 71, Projects 101700, 201700 and 801700, Program/Function Code 200000 (Excluding Program/Function Code 21271 and Objects 217, 235)	\$ 17,859,733.54	\$ 16,491,322.72	
2. If expenditures for CPES were recorded to Program/Function 200000 but not in 217 as applicable, subtract that total now.		0	
3. Less Total Expenditures for Medicaid (Project 00583)	12,203.20	12,215.11	
4. If Medicaid expenditures were not recorded in project 00583, enter the total expended for Medicaid for SVD now.		0	
5. Reduction in MOE (if applicable) (Approved and verified by WVDE for FY 19)			
Must provide basis for Reduction (see Requirements link above)			
(Maximum characters: 250)			
You have 250 characters left.			
TEST 1A			
6. Total State and Local Expenditures (Excludes Medicaid, CPES and OPES ARC reported by CSBO)	17,847,530.34	16,479,107.61	1,368,422.73
TEST 1b			
7. Total State and Local Expenditures Less Approved Reduction in MOE (approved for FY 20 but subtracted from prior year amount)	17,847,530.34	16,479,107.61	1,368,422.73
TEST 2A			
8. Child Count from previous December 1	1,649	1,627	
TEST 2B			
9. Total State and Local expenditures on a per pupil basis	10,829.81	10,128.62	701.29
10. Total State and Local expenditures on a per pupil basis Less Approved Reduction in MOE on a per pupil basis	10,829.81	10,128.62	701.29

[update](#)

FUNDING OPPORTUNITIES FROM OSE

OSE Sources of Funding

- LEA Funding Applications
 - IDEA (Federal) (43YXX)
 - State Aid for Exceptional Students (02Y1X)
- Other LEA Funding Opportunities
 - WV GRADUTION 20/20 – IDEA
 - Out-of-State – state (02Y2X)
 - Out-of-County – state (02Y6X)
 - High Cost/High Acuity – IDEA (43Y3X)/state (02Y5X)
 - Assistive Technology – IDEA (43Y3X)



LEA IDEA & State Aid Applications

- IDEA and State funding applications were due June 30th – **some extensions were granted if requested**
- Applications are being reviewed in the order in which they were received
- SE Director & CSBO will receive an e-mail from the reviewer once the application has been reviewed
- Any items that need corrected will be noted within the GPS system
- Resubmit the plan after corrections are made
- When approved, an e-mail will be sent to the SE Director and CSBO
- Once Superintendent approves in GPS, grant awards will be released



View WVDE History Log
View Change Log

Description (View Sections Only View All Pages)	Validation	Print Select Items
All	Messages	Print
+ History Log		Print
+ Allocations		Print
+ Contacts		Print
+ IDEA and State Aid Entitlement	Messages	Print
+ IDEA School Age	Messages	Print
+ IDEA Preschool	Messages	Print
+ State Aid for Special Education	Messages	Print
- IDEA and State Aid Entitlement Checklist		Print
IDEA and State Aid Entitlement Checklist ←		Print
All	Messages	Print

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LEA IDEA & State Aid Applications

- Resubmit the plan after corrections are made
- When approved, an e-mail will be sent to the SE Director and CSBO
- Once Superintendent approves in GPS, grant awards will be released

Results-Driven Priorities (RDP) Update

- IDEA Discretionary Funds on hold for now
- ReClaimWV moved to new Office of Student Support and Well-being

WV GRADUATION 20/20

- Program will continue and will be funded as its own program initiative.
- Required by OSEP and part of our State Systemic Improvement Plan.
- LEAs will receive \$7,500 per participating school
 - \$2,500 required to be used for school level activities

Polling Question #3



High Cost/High Acuity Expenditure Reimbursement

- Funds available for the 2019-2020 applications:
 - \$2,368,488 (\$868,488 IDEA and \$1,500,000 State)
- Application due date - August 14, 2020
- The application and all related documents, including instructions and calculation examples, can be found on the OSE website at <https://wvde.us/special-education/finance/funding-opportunities/>.
- The minimum expenditure criteria to qualify under the plan for the 2019-2020 school year is **\$36,734** (3 times the 2019 average per pupil expenditure amount of \$12,244.67).



High Cost/High Acuity Expenditure Reimbursement

- This application is also for Court-Ordered DHHR placed Out-of-State students for which tuition amounts were withheld from the county's 2020 State Special Education Allocation. A list of eligible students for the 2019-2020 year will be distributed from Sheila Paitsel, Office of Federal Programs. In order to avoid confusion, please refer to this list when submitting your application for the court-ordered OOS students.
- Counties submitting an application for **Court-Ordered Out-of-State** students do NOT need to send with the application a copy of the IEP or the form indicating that the county has participated in the IEP development process. This information is maintained in the Office of Federal Programs. However, if information is missing or if additional information is required, the county will be contacted.



High Cost/High Acuity Expenditure Reimbursement

- For questions regarding court-ordered Out-of-State Students, contact Sheila Paitsel, Assistant Director, Office of Federal Programs at sgpaitsel@k12.wv.us.
- For questions regarding the submission of the application for in-district served students, contact Terry Riley, Coordinator, Office of Special Education at tjriley@k12.wv.us; Janice Hay, Coordinator, Office of Internal Operations at jehay@k12.wv.us; or, Shana Clay, Coordinator, Office of Special Education at sdclay@k12.wv.us.



Assistive Technology

- **\$200,000** Available for **2020-2021**
- Provides reimbursement for the purchase of assistive technology devices. An invoice must be submitted with the application.
- Counties are required to ensure that assistive technology services and/or devices are a part of the student's Individualized Education Program (IEP).
- A revised application is made available each summer and may be submitted at any time throughout the year **once expense is incurred**. Contact Lee Ann Brammer (lbrammer@k12.wv.us) for additional information. Application is available on the OSE website.



Polling Question #4



Questions

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