



THE STATE EDUCATION DEPARTMENT / THE UNIVERSITY OF THE STATE OF NEW YORK

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To: Executive Directors of Approved Private Schools
Directors of Approved Preschool Programs
Chairpersons of Committees on Special Education
Chairpersons of Committees on Preschool Special Education
State-Supported 4201 Schools
New York State Association of Counties (NYSAC)

From: Michael C. Plotzker

Subject: State Procedures for the Disbursement of Federal Individuals with Disabilities Education Act (IDEA) Part B Flow-Through Allocations for 2011-2012

This memorandum includes important information regarding federal IDEA, Part B flow-through funds for section 611 (for students with disabilities ages 3-21) and section 619 (for students with disabilities ages 3-5) for the 2011-2012 program year consistent with §4410-b of the New York State Education Laws.

After reading in detail, if you have any questions, please contact the P-12 Office of Special Education Budget and Finance Unit at (518) 486-4662 or (518) 486-4734.

STATE PROCEDURES FOR THE DISBURSEMENT OF FEDERAL IDEA, PART B FLOW-THROUGH ALLOCATIONS FOR 2011-2012

Pursuant to the federal IDEA 2004 Reauthorization, the State Education Department (SED) must allocate all IDEA Part B flow-through funds to local educational agencies (LEAs). §4410-b of the New York State Education Laws requires that the LEAs appropriately allocate vendor funds to approved special education programs (ASEPs). The per student vendor funding amount each LEA must pay to each eligible ASEP under section 611 and section 619 or using local funds is calculated by the LEA based on data reported in the **Student Information Repository System (SIRS)** and the LEA's Approved Special Education Program Request For IDEA Vendor Funding (SEDCAR-1) forms received from ASEPs by November 29, 2010. LEAs may choose not to honor SEDCAR-1 requests received after this date and, thus, ASEPs which do not submit SEDCAR-1 forms to a LEA by this date may be ineligible to receive IDEA or local vendor funding for the 2011-2012 program year.

Included are:

- Procedures for disbursing IDEA, Part B flow-through funds in 2011-2012;
- LEA and ASEP Calendar of Events for 2011-2012; and
- SED resources which are available to provide technical assistance and information.

Worksheets to facilitate and ensure the accuracy of LEA calculations of IDEA, Part B section 611 and section 619 per-student vendor funding amounts are available on the P-12: Office of Special Education Budget and Finance Unit (SEBF) website at www.p12.nysed.gov/specialed/finance .

Please Note: Whenever this document refers to the use of IDEA, Part B section 611 and section 619 funds to provide vendor funding to ASEPs or to per student vendor funding to ASEPs, LEAs are required to calculate and disburse funds in amounts equivalent to the federal allocation amounts attributable to students enrolled in ASEPs. At the discretion of each LEA, such disbursements may be made using federal or local funds.

In addition, §4410-b of the New York State Education Laws (NYS §4410-b) requires LEAs to make vendor payments of funds to ASEPs using local funds whether the LEA does or does not choose to apply for federal funds under section 611 and section 619. The amount of vendor funding to be provided to each ASEP is equivalent to the same amount the LEA is required to pay had the LEA applied for the full amount of IDEA Part B section 611 and section 619 funds for which it was eligible.

I. Method for LEAs to Calculate Per-Student Vendor Funding Amounts

Budgets for the 2011-2012 IDEA, Part B section 611 and section 619 sub-grant programs may include a vendor amount to be disbursed to each eligible ASEP serving students with disabilities. To assist LEAs in calculating per student vendor funding amounts to ASEPs, worksheets for the section 611 and section 619 sub-grant projects are available at: www.p12.nysed.gov/specialed/finance under **ASEP Worksheets** and the SEDCAR report to calculate the minimum per student vendor funding amount is also available on this website under **Federal Allocations** by scrolling down and clicking

on **Final Notices of Allocations under IDEA, Sections 611 and 619 for School Years 2000-01 through 2011-12**. BOCES preschool ASEPs should be listed in Purchased Services from BOCES: Code 49 and all other ASEPs should be listed in Purchased Services: Code 40 in the FS-10.

Vendor Funding to ASEPs

ASEPs are eligible for vendor funding of 2011-2012 IDEA, Part B section 611 and section 619 flow-through or local district funds on a per student basis, based on the number of students provided special education services on October 6, 2010, pursuant to Section 4410 (for preschool students with disabilities), Article 89 (placement of school-age students by Committees on Special Education) and Article 81 (placements of school-age students through courts or State agencies). There are two general types of ASEPs:

- Approved Preschool Special Education Programs which operated a special education itinerant teacher program, a special class program or a special class in an integrated setting, on October 6, 2010, including:
 - ✓ Approved private preschool special education programs. If an approved preschool special education program as described above also provided related services only, it may submit SEDCAR forms for the related services only children as well.
 - ✓ 4201 Schools, which operate approved preschool special education programs.
 - ✓ Only those Boards of Cooperative Educational Services (BOCES) which operate approved preschool special education programs.
 - ✓ Only those school districts which operate approved preschool special education programs.
- Approved School-Age Special Education Programs which provided special education services on October 6, 2010, including:
 - ✓ Approved private schools for students with disabilities that receive students from public school districts (Article 89 placements);
 - ✓ 4201 Schools; and
 - ✓ Approved out-of-State private schools for students with disabilities that receive students through courts or State agencies (Article 81 placements).

Please Note: Programs that only serve students with disabilities on an Emergency Interim Placement basis are not ASEPs and are not eligible for 2011-2012 IDEA, Part B vendor funding through the procedures outlined in this memorandum.

In order to receive 2011-2012 IDEA, Part B section 611 and section 619 or local vendor funding pursuant to NYS §4410-b, the ASEP must have submitted a SEDCAR-1 form (Approved Special Education Program Request for IDEA, Part B Vendor Funding), on or before **November 29, 2010**, to each LEA which placed one or more students with disabilities in the ASEP program on October 6, 2010. Approved out-of-State private schools in which courts placed students with disabilities (Article 81) will also submit a SEDCAR-1 form to request a per student vendor funding amount from the school district of residence that maintains Committee on Special Education (CSE) responsibility for such students.

For students placed by the courts and State agencies in approved private in-State residential schools that provide students with services pursuant to Article 81, a separate SEDCAR-2 (In-State Article 81 School Notice of Designated Local Educational Agency for IDEA, Part B Funds) form is required.

This form is used to designate the LEA to be allocated the 2011-2012 IDEA, Part B section 611 and section 619 flow-through allocations attributable to students receiving services pursuant to Article 81, reported by such schools in the **December 1, 1998 PD-2 reports** and adjusted for population and poverty. The LEA is receiving these additional funds to be added to its final notices of allocation for the IDEA and is required to provide vendor funds to the in-State school providing services to students pursuant to Article 81. Therefore, an LEA which receives section 611 Article 81 funds must disburse such funds to the appropriate ASEP(s) and list these proposed expenditures in the IDEA section 611 FS-10 sub-grants within Purchased Services: Code 40. Local funds cannot be used for this purpose.

The responsibilities of LEAs designated through this procedure are identical to those specified for LEAs who have placed students with disabilities in other types of approved special education programs.

Vendor Funding Requirements

Consistent with State statute, payments of 2011-2012 IDEA, Part B section 611 and section 619 vendor funds shall be made by LEAs to ASEPs in the same proportion as funds are disbursed to LEAs by SED, within 30 calendar days after the LEA receives any portion of its allocation of funds for the current year. The last 10 percent payment to ASEPs must be made prior to the LEAs submitting their FS-10-Fs. Please note: LEAs must now pay one-third of their calculated 2010-2011 IDEA, Part B section 619 and section 611 per student vendor funding amount to ASEPs which submitted SEDCAR-1 forms for preschool students with a disability to whom they provided *related services only* with one exception.¹

In accordance with the requirements of §613(f) of the Act and 34 CFR §300.646(b)(2), if SED has notified the LEA that it has been identified for disproportionality due to over-representation by race/ethnicity in the identification, classification and/or placement of students with disabilities and/or in the long-term suspension of students with disabilities in particular race/ethnic groups, it must reserve and expend 15 percent of the district's 2011-2012 IDEA section 611 and section 619 final allocations solely for the development and provision of comprehensive, coordinated early intervening services (CEIS). It must then deduct this 15 percent amount and an additional adjustment pertaining to students residing in the school district who are parentally placed in nonapproved schools as explained on the ASEP worksheets in order to find the 2011-2012 IDEA, Part B adjusted final allocation prior to calculating the per student vendor funding amount for each sub-grant project.

LEA-ASEP vendor relationships require the submission of a budget that describes the services the LEA is purchasing from the ASEP pertaining to the education of students with disabilities 3-21 attending it. In addition, LEA-ASEP vendor relationships require the development of a legal agreement prior to the disbursement of funds from the LEA to each ASEP. The legal agreement between the LEA and ASEP must contain, but is not limited to, the following:

- The submission by the ASEP of periodic reports to the LEA containing programmatic and fiscal information; and

¹ Exception: Any municipality which operated an SED-approved Special Education Itinerant Services (SEIS) program prior to July 1, 2003 which submitted SEDCAR-1 forms for preschool students with a disability which it provided *related services only* is eligible for full (100%) section 619 and section 611 per student vendor funding for each child.

- The submission by the ASEP of a final expenditure report to the LEA delineating the manner in which the ASEP spent the vendor funds it received from the LEA.

ASEPs may obligate funds that are provided through vendor funding by LEAs as of the beginning date established in the written agreement.

Again, please note: if using federal IDEA funds, LEAs must include all vendor funding amounts in the IDEA 611 and 619 budgets and pay the full amount out of these funding sources.

Allowable Uses of IDEA Funds by ASEPs (Vendors)

Districts should be careful to insure that IDEA Part B funds for ASEPs are used for the following types of expenditures:

- Teacher and, when applicable, related service provider bonuses to assist in recruitment and retention;
- Extra staff development that focuses on improving outcomes for students with disabilities; any proposed professional development should be provided on site whenever possible to avoid unnecessary travel expenses. However, if an ASEP provides staff development activities that require travel, it is urged to use fiscal prudence in making travel arrangements. For example, travel by airplane should not be first class and overnight accommodations and meals should, whenever possible, be in accordance with current government rates. Travel is limited to the continental United States and international travel is prohibited.
- Graduate school tuition;
- Materials and technology innovation; and
- Parent training and building parent relationships.

SED Website Regarding IDEA, Part B Allocations: www.p12.nysed.gov/specialed/finance

This is the WEBSITE FOR THE P-12: Office for Special Education UNIT RESPONSIBLE FOR PROGRAMMATIC REVIEW AND APPROVAL OF IDEA, PART B FEDERAL FUNDS. This site will contain links to the other sites that contain information regarding IDEA, Part B.

- Each LEA's allocations for 2011-2012 IDEA, Part B section 611 and section 619 will be posted and available for viewing under **Federal Allocations** by scrolling down and clicking on **Final Notices of Allocations under IDEA, Sections 611 and 619 for School Years 2000-01 through 2011-12**. This posting will include the LEA name, BEDS code, allocation amounts, and the total resident student counts of children with disabilities. The student count should be divided into the allocation for the section 611 plus section 619 sub-grant projects to calculate the minimum per student vendor funding amount due to ASEPs for each project. Please note: the per student vendor funding amount due to ASEPs remains the same if the LEA chooses to pay ASEPs using IDEA, Part B and/or local funds.
- Information pertaining to LEAs designated by in-State Article 81 ASEPs to receive additional 2011-2012 IDEA, Part B allocations will be posted under **Federal Allocations** by scrolling down to **Additional Allocations to LEA's Designated to Sub-allocate IDEA Funds to Article 81 Schools** and clicking on **2011-2012**. This posting will include the LEA name, the LEA BEDS Code, the ASEP name, the ASEP BEDS Code, and the section 611 and section 619 allocation amounts to be disbursed to eligible ASEPs. **Please note**: Article 81 funds to eligible LEAs must be disbursed to ASEPs through the section 611 and section 619 sub-grants under Purchased Services: Code 40 of the FS-10.

SED INFORMATION CONTACTS

If you have any questions pertaining to this material, please contact one of the following SED units:

- P-12: Office for Special Education Budget and Finance (518) 486-4662 or (518) 486-4734: Regarding general policy/procedures, status of applications, allowable expenses and federal laws and regulations, and procedures for calculating and budgeting per student vendor funding amounts.
- SEDCAR (518) 486-4678: Regarding status of SEDCAR-2 forms, child counts on PD forms and Federal allocations.
- Special Education Policy Unit (518) 473-2878: Regarding Approved Special Education Programs.