Understanding EC Funding

NC Department of Public Instruction
Exceptional Children Division
Special Programs and Data Section

Adam Parent
Elizabeth Millen
February 24, 2021
Agenda

• Overview of Federal Funding
• Overview of State Funding
• Maintenance of Fiscal Effort
• Excess Costs
Funding Sources

Federal IDEA

State
Funding Sources

- Federal IDEA Funds
  - Based on December 1 Child Count
- State EC Funds
  - Based on April 1 Child Count
- Special Grants
  - Purpose is to assist with providing financial support to PSUs for students with disabilities who have extraordinary, high-cost needs
  - Child specific funds
  - Application process and not guaranteed
  - Some are Federal funds and others are State funds

- Approval notification for all grant applications in the NCCCIP platform is received via grant system email.
Federal Exceptional Children Funding
Federal IDEA Funds

- The State Board of Education makes allocations to local education agencies (PSUs) based upon the certified appropriation from the Office of Special Education Programs, U.S. Department of Education.

  Funds are for all children with disabilities, ages 3 through 21, who meet specific eligibility requirements under Public Law 108.446. Local education agencies (PSUs) must submit an IDEA Grant application and receive approval prior to access funds.
Federal IDEA Funds
Section 611/PRC 060

• Federal IDEA Section 611 (3 through 21) funds are allocated to PSUs, charters and State Operated Programs (SOPs) through PRC 60 based on a formula that includes a base payment, ADM, and the number of children living in poverty.
• PSUs are responsible for providing Free and Appropriate Public Education (FAPE) for all eligible EC students regardless of the acceptance of the IDEA grant funding.
Federal IDEA Funds  
Section 619/PRC 049

• Federal IDEA Section 619 (3 through 5) funds are allocated to PSUs through PRC 49 based on a formula that includes a base payment, ADM, and the number of children living in poverty.

• PSUs are responsible for providing Free and Appropriate Public Education (FAPE) for all eligible EC students regardless of the acceptance of the IDEA grant funding.
Application is located in the North Carolina CCIP platform
For the first year of operation, the grant opens in November
The grant will be finalized and submitted after the planning allotment is received from DPI Finance & Business
All charter schools are eligible to apply for Section 611 funding.
Charter schools serving 5-year-olds are eligible to apply for Section 619 funding in the second year of operation.
Coordinated Early Intervening Services

- IDEA regulations mandate 15% of IDEA 611 and 619 funds are set-aside for any PSU with significant disproportionality (SD) (Mandatory Use)

- PSUs without significant disproportionality may use up to 15% of their IDEA 611 and 619 funds for CEIS (Permissive Use)
Federal EC Special Grants
Special Grant Eligibility

PSUs must complete the IDEA grant application and be approved for IDEA funds before the PSU is eligible to apply for any of the federal or state special grants.
Out of District
PRC 060

- Up to 50% of Educational Costs reimbursed (direct pay)
  - Paid to PSU from PRC 060
  - Requires submission of all paid invoices

- Accessed via an application in NC CCIP
- Funds are child specific.
- Must be IEP Team recommended out of district placement.
Risk Pool Program Funds
PRC 114

- For children with disabilities who have high cost, extraordinary needs.
- Funds are often requested for medically fragile children and children in need of additional staff to provide 1:1 assistance for activities of daily living skills.
- Application is rubric based

- Accessed via an application in NC CCIP
- Funds are child specific.
- A specific child may be funded for up to five years (not necessarily consecutive years).
- Services must be documented in the child’s IEP.
Federal Targeted Assistance Funds
PRC 118

Initiatives supported with Targeted Assistance funds

- Content Literacy
- Personnel
- Related Services
- Autism Support Team

The funds that are provided to Charter Schools are intended to assist in the challenges faced when recruiting and retaining Related Service personnel (Occupational Therapists, Physical Therapists, Speech-Language Pathologists, Orientation & Mobility Specialists, Audiologist, Educational Interpreters/Transliterators and School Psychologists).
Federal Targeted Assistance Funds

PRC 119

Supported with Targeted Assistance funds for Preschool initiatives:

• Assessment Teams
• Early Literacy Sites
• Outdoor learning Environments
• Center on the Social Emotional Foundation for Early learning (CSEFEL) sites
• Special Projects

Funds can support professional development for Preschool Coordinators.
Exceptional Children State Funding
State Funds for Children with Disabilities

PRC 036

• Intended to assist Public School Unit (PSU) with services for children with disabilities.
• This funding is allotted by NCDPI without an application requirement.

Per child allocation is for children with disabilities school-aged 5 through 21 counted on the April 1 child count. Funds are limited to 12.75% of the public school unit's average daily membership (ADM). The per child allocation will differ for those PSUs who are over the 12.75% cap.
State EC Special Grants
The North Carolina General Assembly has allocated funds to provide resources to help school systems appropriately serve students with severe and complex behavioral-emotional needs.

- The application is in the NC CCIP platform
- For more information regarding these funds, contact:

Dreama McCoy, Section Chief
Special State Reserve Funds

PRC 036

- For newly enrolled children with disabilities who have high-cost needs.
- Special circumstances may permit a submission for a change in condition.
- Intended to assist Public School Unit (PSU) with emergency, unforeseen situations that are accompanied by an unexpected fiscal burden.

Accessed via an application in NC CCIP platform.
Funds are child specific; cannot be used for other children.

Example:
A child with disabilities moves from another district and enrolls in school after budgets are set and funds are committed. The child has needs that are atypical and very expensive to provide.
Group/Foster Home Funds
PRC 036 and PRC 060

• Funds are available to PSUs for students with disabilities placed in group or foster homes or similar facility for residential services that were not counted on the December 1 or April 1 child count.

• The PSU where the group home is located is responsible for the special education and related services for the students that reside in the group home.

Accessed via an application in NCCCIP platform.

Funds may be used for other children after the child generating the funds have been served.
The North Carolina State Improvement Project (NC SIP) provides personnel development and program support services to significantly improve the performance and success of students with disabilities in North Carolina.

An application is required for this grant.
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<th>Community Residential Center</th>
<th>Developmental Day Center</th>
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<td>For children placed in an approved Community Residential Center located in the LEA’s district Placed through the Local Management Entity or Managed Care Organization.</td>
<td>For children placed in an approved Developmental Day Center approved by NCDHHS/DCDEE. Center located in the LEA’s district</td>
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Fiscal Responsibilities
Fiscal Responsibilities

You will begin to hear specific terminology and this overview will give some of the basic information.

As the year progresses, Special Programs and Data Section will offer specific training on Fiscal Responsibilities.
Maintenance of Fiscal Effort
Maintenance of Fiscal Effort (MOE)

- Funds provided to an PSU under Part B of the IDEA must not be used to reduce the level of expenditures for the education of children with disabilities made by the PSU from state and/or local funds below the level of those expenditures for the preceding fiscal year without allowable justification.

- PSUs must expend at least as much as they did the previous year on the education of children with disabilities.
Why Require MOE?

- **Purpose of PSU MOE**
  - Help ensure FAPE
  - Ensure sufficient funds to serve students with disabilities
  - Examines use of state and local dollars
PSU MOE

• Two Standards:
  – Eligibility/Budget (§ 300.203(a)): Must budget at least as much as they expended in last year for which information available
  – Compliance/Expenditures (§ 300.203(b)): Must actually expend at least as much as they expended in previous (comparison year)
Four methods are:
- local funds only;
- the combination of state and local funds;
- local funds only on a per capita basis; or
- the combination of state and local funds on a per capita basis
Year 1 Maintenance of Effort

- In the first year, the PSU is establishing the baseline for future Maintenance of Effort (MOE)
- In the initial grant, the PSU will enter the Eligibility/Budget for the year.
  - Includes all state and local funding for Students with Disabilities
- After the end of the first year, the PSU will enter the Compliance/Expenditure for the year.
  - Includes all state and local funding for Students with Disabilities
Excess Cost
IDEA Excess Cost

- IDEA funds may only be used to pay the excess costs of providing special education and related services for students with disabilities.
- Excess costs are costs in excess of the average annual per-pupil expenditure in a PSU during the preceding school year.
- LEA must spend at least a minimum average amount on the education of elementary school or secondary school SWD before funds under Part B are used to pay what are then the excess costs of providing special education and related services.
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<th>NC Preschool 619 Coordinators</th>
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<tr>
<td>Dawn Meskil</td>
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<td>Keashia Walker</td>
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<th>SPD Section Chief</th>
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<td>Amanda Byrd</td>
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<td>Email: <a href="mailto:amanda.byrd@dpi.nc.gov">amanda.byrd@dpi.nc.gov</a></td>
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<td>Email: <a href="mailto:elizabeth.millen@dpi.nc.gov">elizabeth.millen@dpi.nc.gov</a></td>
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