

# Maintenance of State Financial Support Calculation Checklist

## Introduction

Part of the Center for IDEA Fiscal Reporting's (CIFR) Maintenance of State Financial Support (MFS) Toolkit, this checklist is designed to help state staff calculate complete and accurate amounts for their state's MFS reporting. Under 34 CFR §300.163 of the Individuals with Disabilities Education Act (IDEA): "A State must not reduce the total amount of State financial support for special education and related services for children with disabilities, or otherwise made available because of the excess costs of educating those children, below the amount of that support for the preceding fiscal year." In Section V of their annual applications for IDEA Part B grants, states must report the total dollar amount of state financial support (and optionally, the amount per capita) made available for the two prior state fiscal years, as certified by the state budget officer or authorized representative.

This checklist provides guiding principles for state educational agencies (SEAs) to consider in calculating MFS. It outlines items that should and should not be included in the MFS calculation, along with considerations for improving data quality and preparing the required MFS reporting. The checklist, whether used on its own or alongside CIFR's Data Collection and Reporting Tool (DCRT), helps SEAs review and verify that the data used in the MFS calculation are comprehensive and valid. It might be particularly useful in cases where initial calculations indicate that the state did not meet MFS, as staff can use it to diagnose potential problems in the calculation and to guide them in making appropriate corrections. The information in this resource might also be helpful to states that are developing written procedures or reviewing their existing calculation methodology for comprehensiveness and alignment with MFS requirements.

The checklist has four sections:

1. Items to Include in the MFS Calculation.
2. Items Not to Include in the MFS Calculation.
3. Data Quality Considerations.
4. Preparing for Required MFS Reporting in Section V of the IDEA Part B Grant Application.

If you have questions about the contents of this checklist, please contact CIFR at: [cifr\\_info@wested.org](mailto:cifr_info@wested.org).

## CIFR's MFS Toolkit

<https://cifr.wested.org/resources/mfs/mfs-toolkit/>

The MFS Toolkit contains four tools to help SEAs understand and implement the MFS requirements.

- The **Quick Reference Guide (QRG)** helps states understand the basics of MFS requirements stipulated in IDEA.
- The **Funding Flow Ideograph Tool (FFIT)** helps states create a graphic description of their fiscal support system.
- The **Timeline Development Tool (TDT)** helps states create a timeline and document their process for collecting MFS data.
- The **Data Collection and Reporting Tool (DCRT)** allows users to track and organize financial data from the SEA and other state agencies to ensure MFS reporting requirements are met. This calculation checklist may be used as a companion to the DCRT.

In addition, CIFR's practice guide **Developing Written Procedures for MFS** supports consistent implementation and high-quality data.

This guide and other MFS resources can be found at:

<https://cifr.wested.org/resources/mfs/>

## 1. Items to Include in the MFS Calculation

Check the box to indicate item considered

<p>The SEA has included all sources of state funds made available for special education and related services in its MFS calculation.</p>	<input type="checkbox"/>
<p>Direct state legislative appropriations to the SEA, other state agencies, or other entities to support special education and related services.</p>	<input type="checkbox"/>
<p>Other state financial support for special education and related services made available by the SEA.</p>	<input type="checkbox"/>
<p>Other state financial support for special education and related services made available by other state agencies.</p>	<input type="checkbox"/>

### Other state agencies may include:

- Department of Corrections, Juvenile Justice Agency, or Youth Detention Agency.
- Department of Health or Public Health Agency.
- Department of Mental Health or Behavioral Health Services Agency.
- Department of Human Services, Social Services, or Division of Children and Families.
- Developmental Disabilities Agency.
- Early Childhood Administration.
- State schools for the deaf and hearing impaired, and for the blind and visually impaired.

The SEA has included state funding from other state agencies even if the funding is counted for matching under other federal programs.

Other federal laws, such as the Rehabilitation Act of 1973, as amended, may have matching requirements. The SEA may include state funds in the MFS calculation as required under Part B of IDEA as well as in matching calculations for other federal laws.

## 1. Items to Include in the MFS Calculation (continued)

Check the box to indicate item considered

<p>The SEA has considered all state funds made available for special education and related services purposes, such as funds provided:</p>	
<p>To local educational agencies (LEAs) (including educational service agencies, regional agencies, or other entities defined as LEAs that receive an IDEA subgrant) for special education and related services, including extended school-year services and out-of-district placements.</p>	
<p>For early childhood services and preschool for children with disabilities, ages 3 through 5.</p>	
<p>For transportation included in the individualized education programs of children with disabilities, sometimes called “specialized transportation.”</p>	
<p>For high cost fund mechanisms to fund exceptionally high cost special education and related services to children.</p>	
<p>For development and administration of alternate assessments or for the development and provision of accommodations for assessments.</p>	
<p>For salaries and benefits of special education staff employed by the SEA, including direct service providers, related service providers, and/or administrative staff.</p>	
<p>For salaries and benefits of non-special education state staff (e.g., human resources, payroll) for that specific portion of their time spent directly supporting special education and related services.</p>	
<p>For contributions to state retirement and other benefits systems (e.g., teacher retirement systems) on behalf of LEA special education and related services staff that are not paid by LEAs and are not included in state funds provided to LEAs.</p>	
<p>To contractors who provide special education and related services.</p>	
<p>For the state match provided to LEAs under Medicaid’s school-based health program for children with disabilities under IDEA.</p>	
<p>To schools for the deaf and hearing impaired and/or schools for the blind and visually impaired.</p>	

## 2. Items Not to Include in the MFS Calculation

Check the box to indicate item considered

The SEA has <i>not</i> included the following:	
Federal IDEA funds.	
Other federal funds, including Impact Aid and Medicaid reimbursements.	
Local funds.	
State funds made available for general education, except to the extent that those funds are made available for special education and related services.	
State funds made available for statewide assessments (not alternate assessments).	
State funds made available for universal preschool.	

## 3. Data Quality Considerations

Check the box to indicate item considered

The SEA has developed a detailed calculation methodology that reflects the above considerations and is consistent from year to year.	
The SEA has adequate documentation to support the MFS calculation.	
<p>SEAs are expected to maintain documentation of their compliance with Part B of IDEA for both audit and monitoring purposes, including documentation of what state funds are made available and the SEAs' procedures for calculating MFS. This is important for reporting a consistent, comparable MFS amount from year to year, particularly in times of state turnover.</p>	

### 3. Data Quality Considerations (continued)

Check the box to indicate item considered

The SEA uses the most current information available in its final reporting.

The SEA should ensure that the most current information available is used in the calculation (within the parameters of state law or rules), especially if there are changes to what was initially proposed, budgeted, or appropriated by the legislature throughout the fiscal year.

The SEA should use actual data for a given year and avoid using averages or projections whenever possible, as this may result in inaccurate reporting of financial support made available.

The SEA uses the correct child count for its per capita calculation.

Although not explicitly mentioned in Section V of the IDEA Part B Grant Application, SEAs can include a per capita (i.e., “per child with a disability”) dollar amount for the two state fiscal years, in addition to the totals. The child count used in this per capita calculation must be the official child count that is reported to the Office of Special Education Programs (OSEP) for the years of the MFS calculation.

### 3. Data Quality Considerations (continued)

Check the box to indicate item considered

The SEA has determined that the data are valid and reliable.

Staff should compare the total and individual component amounts for the current year to the amounts reported for previous years to see if there are unexpected changes or missing information, and that amounts have remained relatively stable over time.

Staff should check to see that the list of components included in the calculation is consistent over time.

Staff should be prepared to explain and justify changes. For example:

- Did appropriations change?
- Did funding shift from one agency to another?
- Did a state agency that had not been previously funded receive funding, or did a state agency that had previously been funded stop receiving funds?
- Has there been a significant change within an agency that has had an impact on the calculation (e.g., staffing changes, services provision)?

### 4. Preparing for Required MFS Reporting in Section V of the IDEA Part B Grant Application

Check the box to indicate item considered

The SEA has calculated MFS in total and per capita.

The SEA may include a per capita amount for each of the two years in Section V, along with the total amount. If the total amount made available decreased from one year to the next, but the amount made available per child with a disability remained the same or increased, the state may still meet MFS on the per capita basis.

## 4. Preparing for Required MFS Reporting in Section V of the IDEA Part B Grant Application (continued)

Check the box to indicate item considered

The SEA completes Section V.	
The SEA reports total funds made available, and if it chooses, the per capita amounts.	
The SEA conducts a briefing on data for the State Budget Officer and Chief State School Officer.	
The SEA obtains appropriate certification of Section V.	
Section V is certified by the State Budget Officer or the State Budget Officer's authorized representative.	
The SEA submits the IDEA Part B Grant Application by the required date.	

Many CIFR staff contributed to this work. Amanda Pierce led its development with contributions from Laura Johnson and Deborah Morrow. Tom Munk was lead reviewer and Sanjay Pardanani was production coordinator. CIFR co-directors Cecelia Dodge, Jenifer Harr-Robins, and Dave Phillips guided its development.

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