

# Maintenance of State Financial Support: Funding Flow Ideograph Tool Introduction and Instructions

## Intended Audience(s)

- SEA staff
- Representatives of other state agencies that provide special education and/or related services using state funds
- State legislators
- State advisory panel members
- Disability advocacy group members
- Other interested members of the general public

## Purpose

The purpose of the Funding Flow Ideograph Tool (FFIT) is to provide a visual aid for understanding and communicating about state funds included in Maintenance of State Financial Support (MFS).

The FFIT demonstrates how financial support made available by the state for children with disabilities served under IDEA flows through the SEA and other state agencies to providers of the education and related services designated in IEPs. (For a list of services and activities allowable under the IDEA, see “Services and Activities Allowable Under the IDEA”.) By helping the user identify the various agencies, service providers, and patterns of funding flows involved, the FFIT provides a way of documenting all state funds encompassed in MFS and the entities responsible for them. The FFIT can then be used to facilitate communication about the data needed for calculating and reporting MFS.

The FFIT does not address the revenue sources (such as sales taxes, property taxes, and other levies) that generate the state funds from which allocations are made. While important for understanding how services provided under IDEA are funded, and for waivers pursuant to 34 CFR §300.163(c), this information is not used in the calculation of MFS and is therefore not included in this tool.

## Description

The FFIT enables graphical representation of the flow of financial support made available by the state, per the MFS requirement, for special education and/or related services for children with disabilities. The tool first depicts and explains the flow of

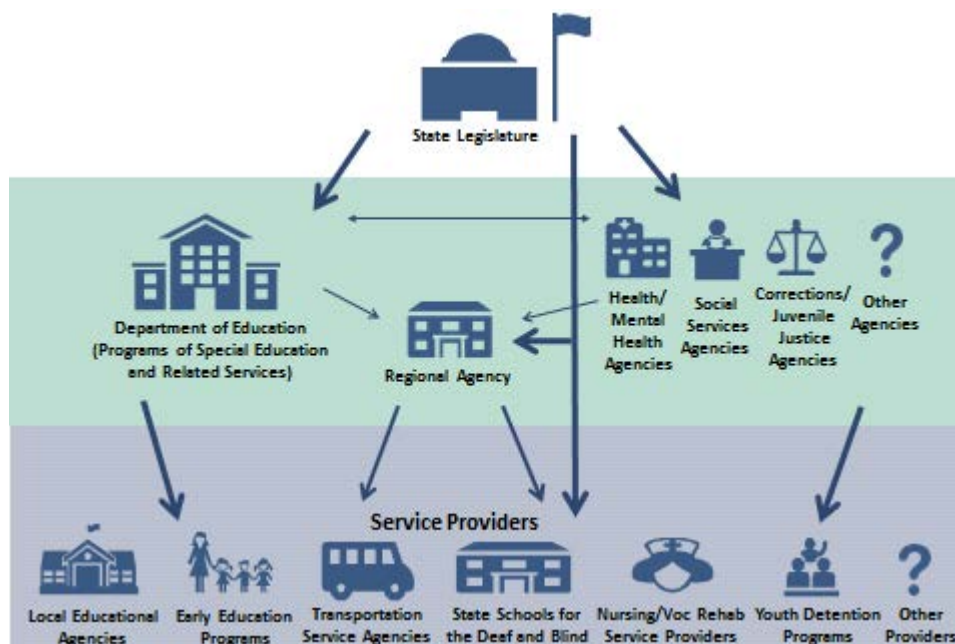
applicable state funding from state appropriations through administering state (and, potentially, regional) agencies to service providers. It illustrates a variety of possible funding flows in any specific state, and demonstrates especially that MFS funding typically involves multiple state agencies.

The FFIT also allows users to depict the flow of state funding for special education and related services in their state. It provides a background template as well as suggested icons, labels, and arrows for creating a customized graphic. By copying, pasting, and adapting the icons, labels, and arrows as appropriate, the user can customize the ideograph to reflect the actual flow of funding within the state. The tool provides step-by-step instructions for creating a completed graphic, using a hypothetical state as an example. The FFIT customizable tool was created in Power Point to allow for the creation of print or digital handouts and not for the purpose of slideshow presentations.

## Instructions

Use this tool to create a graphic showing the flow of funds included in MFS for your state. These instructions will first demonstrate a generic version of the graphic you will be creating. They will then lead you through a step-by-step process for creating a completed graphic, using a hypothetical state as an example.

**Figure 1. State Financial Support Made Available for Special Education and Related Services for Children with Disabilities: Flow of State Funding**



*Figure 1, State Financial Support Made Available for Special Education and Related Services for Children with Disabilities: Flow of State Funding presents a generic example*

of the graphic you will be creating and shows the basic elements included. As the title indicates, it is intended to provide a picture of the flow of state funds for MFS, including the entities involved and the patterns of funding among them. Note the three tiers of the graphic with the background colors of white (upper tier), green (middle tier), and blue (lower tier) representing, respectively, the state legislature, state and regional agencies, and service providers.

In the upper (white) section of the graphic is an icon for the State Legislature. State financial support for special education and related services is made available through appropriations from the state legislature (or otherwise made available by the state). These funds are represented by the heavy arrows pointing downward from the state legislature icon to state and regional agencies in the middle (green) tier of the graphic. The financial support made available typically flows through state (and sometimes, regional) agencies before reaching service providers, as represented by the lower (blue) tier. States will differ in the patterns of funding flows from the legislature, through state and regional agencies, to service providers.

State financial support for all services provided to children with disabilities pursuant to their IEPs is part of MFS. Typically, much – but not all – of the financial support flows through the state educational agency, represented by the icon on the left in the middle tier. However, state financial support also includes funds made available to other state agencies to provide services designated in children’s IEPs. These agencies differ from state to state, but often include health or mental health agencies, social services agencies, corrections and juvenile justice agencies, and others. The state agencies other than the state educational agency are represented by the cluster of icons on the right side of the middle tier.

Some appropriations may be made directly to service agencies such as state schools for the deaf and blind. These appropriations are represented by the heavy arrow pointing straight downward from the State Legislature icon into the lower tier of the graphic. Appropriations may also be made to regional agencies (variously known as intermediate service centers, regional educational service agencies, special education local plan areas, or other titles), depending on state structures. A regional agency icon is shown in the middle of the green tier, and funds made available directly from the state legislature to regional agencies are indicated by following the heavy arrow straight downward and to the left pointing at the regional agency.

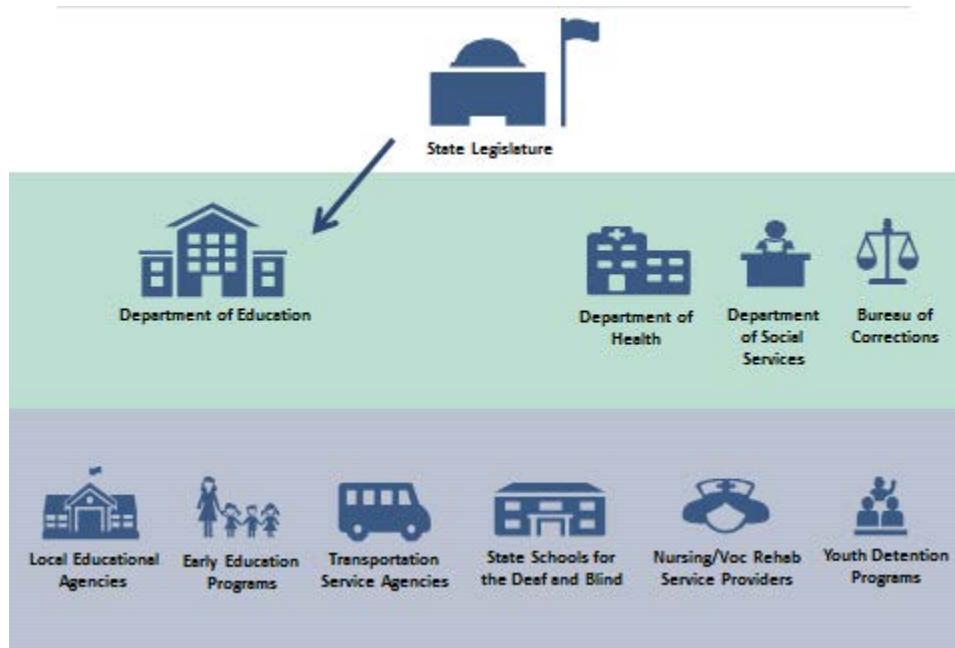
State financial support may also be transferred between state agencies before reaching providers, or it may flow through a regional agency. These funding flows are represented by the thin arrows shown in the graphic. The direction of the arrows indicates the source and destination of these transfers. Note that transfers may flow either from the state educational agency to other state agencies, from other state agencies to the state educational agency, or in both directions.

Funds to implement services might flow from the state or regional agency to service providers through contracts or grants, or a state or regional agency may provide the services directly. The lower tier of the graphic contains icons depicting various types of potential service providers, with the arrows showing the funds made available reaching these providers. Note that service providers can receive funding from multiple agencies.

This tool contains, in PowerPoint slides, a template with the three tiers designated with the background colors and titles (Slide 1); suggested labels for the icons (Slide 2); icons for state and regional agencies and for service providers (Slide 3); and a set of arrows (also on Slide 3). Copy and paste the icons, labels, and arrows onto the template to depict the flow of state funding for special education and related services in your state. Suggested steps are illustrated below for a hypothetical state.

1. Open the PowerPoint document to the template slide (Slide 1). This slide is pre-populated with the State Legislature icon, the State Educational Agency icon, and the connecting arrow. Delete the text in the text box at the top and insert an appropriate label for your state (for example, Flow of Funds Included in MFS for CIFR State).
2. From Slides 2 and 3, select icons and labels for other agencies and for service providers that represent all entities receiving state funds made available for special education and related services for children with disabilities. As noted on Slide 3, if you want to use a label that isn't listed, you can simply type it in.
3. Copy and paste the selected labels and icons onto the template (Slide 1). Arrange the state and regional agencies and labels as applicable in the middle (green) tier, and the service providers in the lower (blue) tier. Make sure to include icons for all entities involved in the flow of funds for special education and related services for children with disabilities in your state.

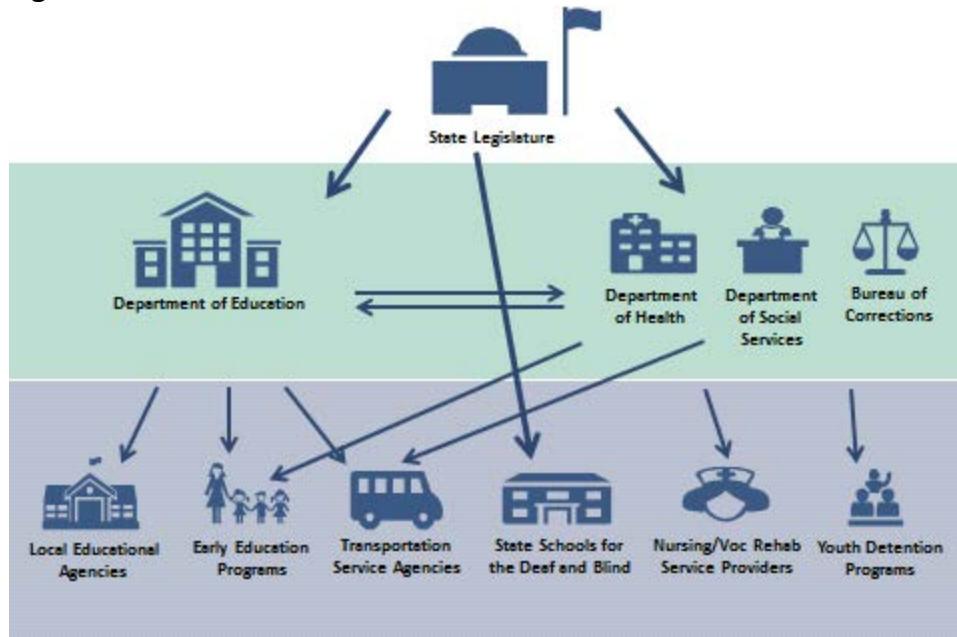
**Figure 2. Flow of Funds Included in Maintenance of State Financial Support for CIFR State**



In the graphic for the hypothetical state shown in Figure 2, the state has identified the Department of Health, Department of Social Services, and Bureau of Corrections, along with the Department of Education, as all the state agencies receiving the relevant funds made available. There are no regional agencies in this state that receive these funds. Service providers have been identified to be LEAs, early education programs, transportation service agencies, state schools for the deaf and blind, nursing and vocational rehabilitation service providers, and youth detention programs.

4. Select arrows from the set provided on Slide 3 to best represent the types of funding flows in your state. For example, you may select the heavy arrows to represent appropriations from the State Legislature, the light arrows to represent transfers among state agencies, and the mid-weight arrows to represent contracts and grants made by state agencies to service providers.
5. Copy and paste the selected arrows onto Slide 1, the template now containing the agency and service provider icons for your state. Arrange the position, length, and direction of the arrows to indicate the disbursing and receiving entities of the funds. Remember that providers may receive funds from more than one state or regional entity.

**Figure 3. Flow of Funds Included in MFS for CIFR State**



In the graphic for the hypothetical state shown in Figure 3, funding for early education programs and transportation service providers comes from the SEA as well as other state agencies. Transfers of funds also occur from the State Educational Agency to other state agencies, and from other state agencies to the SEA. The State Legislature appropriates funds directly for state schools for the deaf and blind as well as for the State Educational Agency and other state agencies.

6. Consider your full graphic and make sure all state funds made available for special education and related services are represented. In particular, make sure all state entities receiving or disbursing state allocations are included. If you determine any pieces are missing, adjust the graphic using Steps 2 through 5 until it is complete and accurate.
7. Print or create a digital display of your depiction of the flow of funds for MFS in your state (the completed Slide 1). Use this graphic as a handout for communicating about the data needed for calculating and reporting MFS. It may be especially useful for communicating with staff of the other state agencies identified in your graphic about the data needed from their agency.

## Acknowledgments

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