



Nuts and Bolts of Allocations to LEAs

Susan Murray and Hillary Tabor
U.S. Department of Education, OSEP,
Monitoring & State Improvement Planning

CIFR and IDC in collaboration
with the NCSI Fiscal Support Team



Objectives

- Provide an overview of the requirements for making allocations to LEAs including:
 - Base payments
 - Base payment adjustments
 - Population and poverty
- Discuss allocation flags
- Facilitate discussions with peers at table

Base Payments

34 CFR §§300.705(b)(1) and 300.816(a)

Base Payments *(continued)*



- **611:** amount LEA would have received for FFY 1999 if State had distributed 75% of its grant.
- **619:** amount LEA would have received for FFY 1997 if State had distributed 75% of its grant.
- Base payment to each LEA does not change unless an adjustment is required (see Base Payment Adjustments).
- See 34 CFR §§300.705(b)(1) and 300.816(a).

Base Payments: Flags

- Using wrong year's data to establish base amount.
- Not distributing the full base amount (often due to rounding).
- Providing base amount to entities other than LEAs.
- Providing base amount to LEAs that have not established eligibility for a given year.
- Not providing a 619 base for 5-year olds in kindergarten (age, not grade!).
- Changing base amount for all or most LEAs on a regular basis.
- Total amount of base distributed changes from year to year (except for 619 allocations when Federal appropriation is below 1997 level).

Base Payment Adjustments

34 CFR §§300.705(b)(2) and 300.816(b)

Base Payment Adjustments *(continued)*



- Adjustments are made only when one of the following conditions exist:
 - New LEA (including charter school LEA) created.
 - One or more LEAs are combined.
 - Two or more LEAs' boundaries or administrative responsibility for providing services change.
 - LEA received base payment of \$0 in first year but now serves children with disabilities.
 - Charter school LEA significantly expanded enrollment.
- See 34 CFR §§300.705(b)(2) and 300.816(b); Subpart H of 34 CFR Part 76 and ED's December 2000 guidance, "How Does a State or Local Educational Agency Allocate Funds to Charter Schools that are Opening for the First Time or Significantly Expanding Their Enrollment?" (Questions 79-80)

How to Make Base Payment Adjustments

- Differs for each of the conditions
- Basic principles are:
 - Adjustments made only for affected LEAs, not all LEAs.
 - Based upon relative numbers of Children with Disabilities 3-21 for section 611, or Children with Disabilities 3-5 for section 619, currently provided special education by each affected LEA.

Base Payment Adjustments: Flags

- State's allocation table includes a set amount per child for base payment adjustments.
- Adjustments made based on 1999/1997 count instead of relative numbers of children **currently served**.
- LEA serving Children with Disabilities but receiving \$0 base.
- Unable to track CWD from where previously served.
- Note: Charter School LEAs make adjustments tricky (attend Plenary Session #4 later today).

Population and Poverty

34 CFR §§300.705(b)(3) and 300.816(c)

Population and Poverty: Requirements



- **Population:** 85% of any funds remaining after base is allocated to LEAs based on the relative numbers of children enrolled in public and private elementary and secondary schools within the LEA's jurisdiction.
- **Poverty:** 15% of any funds remaining after base is allocated to LEAs in accordance with their relative numbers of children living in poverty, as determined by the SEA.

Population and Poverty: Flags

- 619 enrollment counts based solely on children 3-5 years old.
- Data used to determine enrollment and/or poverty count is **really old**.
- Counts stay the same from year to year.
- Number of children in poverty exceeds the number of children enrolled.
- Private school enrollment is not included in counts or is included inconsistently (school location vs. residence of child).

Table Questions



1. Are there any flags we discussed today that surprised you?
2. What effective practices can you share with others?

Resources



- GRADS 360 Fiscal Resources about LEA Allocations
 - <https://osep.grads360.org/#program/fiscal-monitoring>
 - LEA Allocations Fiscal Monitoring Protocol
 - Fed Reg 12-1-2008: IDEA Subgrants to LEAs and Reallocation of IDEA Funds, Comments and Discussion
 - Additional documents
- GRADS 360: IDEA Funds and Charter Schools
 - <https://osep.grads360.org/#program/idea-funds-and-charter-schools>

Contact OSEP/MSIP



- Your State Lead and Fiscal Accountability Facilitator
- Susan Murray, Fiscal Accountability Facilitator (susan.murray@ed.gov)
- Hillary Tabor, Fiscal Accountability Facilitator (hillary.tabor@ed.gov)