



Introduction to the IDEA Part B Subgrant Base Payment Adjustment Calculators

Purpose

The purpose of the Individuals with Disabilities Education Act (IDEA) Part B Subgrant Base Payment Adjustment (BPA) Calculators is to assist state educational agency (SEA) staff in making adjustments to the base payment portion of IDEA subgrants to local educational agencies (LEAs).

The Center for IDEA Fiscal Reporting (CIFR) makes the BPA Calculators available to SEAs for independent use, general guidance, and estimates only. The BPA Calculators are not intended to replace professional guidance or any other decision-making method or tool. SEA staff and any other end users are responsible for determining their own legal, regulatory, contractual, or other responsibilities, and for ensuring that their calculations and reporting are correct. For any questions about using the BPA Calculators, please contact CIFR at cifr_info@wested.org.

Background

Federal funding to support IDEA Part B implementation is provided to states through section 611 and section 619 grants. After reserving grant funds for state-level activities, consistent with 34 CFR §300.704, SEAs must follow a specific formula to allocate the remaining funds as subgrants to LEAs, including charter school LEAs. This formula, required by the regulations, consists of a base payment amount and amounts that are determined by population and poverty measures for each LEA.

The base payment for the section 611 subgrant is the amount that an LEA would have received if the SEA had distributed 75 percent of the state's federal fiscal year (FFY) 1999 section 611 grant, using the 1998 count of children with disabilities ages 3 through 21 in the LEA (34 CFR §300.705(b)(1)). For section 619, the base payment is the amount that an LEA would have received if the SEA had distributed 75 percent of the state's FFY 1997 section 619 grant, using the 1996 count of children with disabilities ages 3 through 5 in the LEA (34 CFR §300.816(a)). The individual LEA base payment amounts stay the same from year to year unless adjustments are required. However, even if LEA base payment amounts change, the total statewide base payment amount does not change.¹

¹ The 1999 IDEA 611 and 1997 IDEA 619 allocations are available at <https://www2.ed.gov/about/overview/budget/history/sthistbypr97to99.xls> (see pages 18 and 19).

Individual LEA base payment amounts must be adjusted under specific circumstances as required in the IDEA regulations at 34 CFR §§300.705(b)(2) and 300.816(b). Base payments must be adjusted when any of the following circumstances occur:

- (1) A new LEA, including a new charter school LEA, is created;
- (2) Two or more LEAs combine into a new, single LEA;
- (3) Two or more LEAs change geographic boundaries or administrative responsibility for providing services to children ages 3 through 21 for section 611, or to children ages 3 through 5 for section 619 (including when one or more LEAs close); and/or
- (4) An LEA that had a base payment of \$0 in its first year of operation (because it did not serve children with disabilities) now does serve children with disabilities.

In addition, SEAs must ensure that any significantly expanding charter school that meets the definition of an LEA at 34 CFR §300.28 and that has established eligibility for IDEA funds receives the federal formula funds for which it is eligible (20 U.S.C. 7221(e)). This fifth circumstance — a charter school LEA significantly expands — also requires a base payment adjustment.

Making Base Payment Adjustments

If one or more of the above circumstances occur, an SEA must adjust, or recalculate, the base payments for the LEAs affected by a given circumstance. Although IDEA regulations do not detail a specific method for making these adjustments, the CIFR practice guide titled *Examples of Adjustments to IDEA Subgrant Base Payments for Local Educational Agencies* (<https://cifr.wested.org/wp-content/uploads/2018/04/CIFR-Practice-Guide-Allocations-Base-Adj.pdf>) provides examples of two suggested methods SEAs may use to recalculate the base payments:

- Method A: Individual adjustment for each Affected LEA (Individual Adjustment), and
- Method B: Group adjustment for all Affected LEAs (Group Adjustment).

Terminology

The following terms are frequently used in the BPA Calculators and related materials.

Affected LEA is an LEA that is affected by one of the circumstances requiring a base payment adjustment.

Assuming LEA is an Affected LEA that assumes responsibility from a Transferring LEA to provide free appropriate public education (FAPE) to children with disabilities.

Transferring LEA is an Affected LEA that transfers responsibility to an Assuming LEA to provide FAPE to children with disabilities.

Choosing Between Method A and Method B

CIFR has developed two BPA Calculators to assist SEA staff in calculating base payment adjustments, one for Method A and one for Method B. SEA staff should choose one method and the corresponding BPA Calculator and use that method consistently across LEAs and over time.

CIFR encourages state special education fiscal and program teams to explore both methods and document the rationale for the chosen method in the state's written procedures for allocating IDEA Part B subgrants. For some scenarios, the results of the two methods will be the same (e.g., when a new LEA is formed and draws from only one Transferring LEA). In other scenarios, the different calculation methods may generate different results. For details about how the two methods differ, please refer to the CIFR practice guide titled *Examples of Adjustments to IDEA Subgrant Base Payments for Local Educational Agencies*. CIFR technical assistance providers (cifr_info@wested.org) can also help state staff explore the differences between the two methods.

Downloading the Calculators

Each BPA Calculator is available as a downloadable Excel file, along with comprehensive instructions, sample files, and a one-page *Instructions At a Glance*, on the BPA Calculator landing page: <https://cifr.wested.org/resources/allocation-of-idea-part-b-subgrants-to-leas/idea-part-b-subgrant-base-payment-adjustment-calculators/>.

Method A

- Method A IDEA Part B Base Payment Adjustment Calculator
- Method A IDEA Part B Base Payment Adjustment Calculator: Instructions
- Method A IDEA Part B Base Payment Adjustment Calculator: Instructions At a Glance
- Method A IDEA Part B Base Payment Adjustment Calculator Sample

Method B

- Method B IDEA Part B Base Payment Adjustment Calculator
- Method B IDEA Part B Base Payment Adjustment Calculator: Instructions
- Method B IDEA Part B Base Payment Adjustment Calculator: Instructions At a Glance
- Method B IDEA Part B Base Payment Adjustment Calculator Sample