

# Calculating IDEA Part B Population and Poverty Payments for Local Educational Agencies

CIFR **practice guides** help state staff understand how to implement the fiscal reporting requirements of the Individuals with Disabilities Education Act (IDEA). These guides are not an official interpretation of IDEA by the Office of Special Education Programs (OSEP) or the U.S. Department of Education.

## Introduction

States receive annual IDEA Part B grants to provide special education and related services for children and youth with disabilities and their families. IDEA Section 611 grants support services for children ages 3–21, and Section 619 grants support services for children ages 3–5. After reserving funds for state-level activities, states must use a formula required by 34 CFR §§300.705 and 300.815–816 to allocate the remaining funds as subgrants to eligible local educational agencies (LEAs), including charter school LEAs. This formula includes a base payment amount and additional amounts based on population and poverty measures for each LEA. The formula is applied separately to Section 611 and Section 619 subgrants.

This guide explains how to calculate the Part B amounts based on a state's population and poverty measures. It describes the data sources that states commonly use to measure population and poverty and reviews the steps for calculating the amounts.

### Suggested Uses

- Share with your state fiscal colleagues to support common understanding and coordinate more effectively.
- Review alongside your state's policies and procedures to identify areas that could be explained more clearly.
- Understand how your state collects accurate and reliable data for calculating population and poverty payments.



## The Allocation Formula for Subgrants

An LEA subgrant is divided into three parts: a base payment, a payment based on population, and a payment based on poverty.

### The Base Payment

Under 34 CFR §§300.705(b)(1) and 300.816(a), base payments are the amounts that an eligible LEA would have received if the state educational agency (SEA) had distributed 75 percent of the state’s federal fiscal year (FFY) 1999 Section 611 grant and 75 percent of the state’s FFY 1997 Section 619 grant. The base payment amounts for individual LEAs stay the same from year to year unless adjustments are required. However, even if LEA base amounts change, the total statewide base amount does not change. For more information, see CIFR’s *Examples of Adjustments to IDEA Subgrant Base Payments for Local Educational Agencies*.

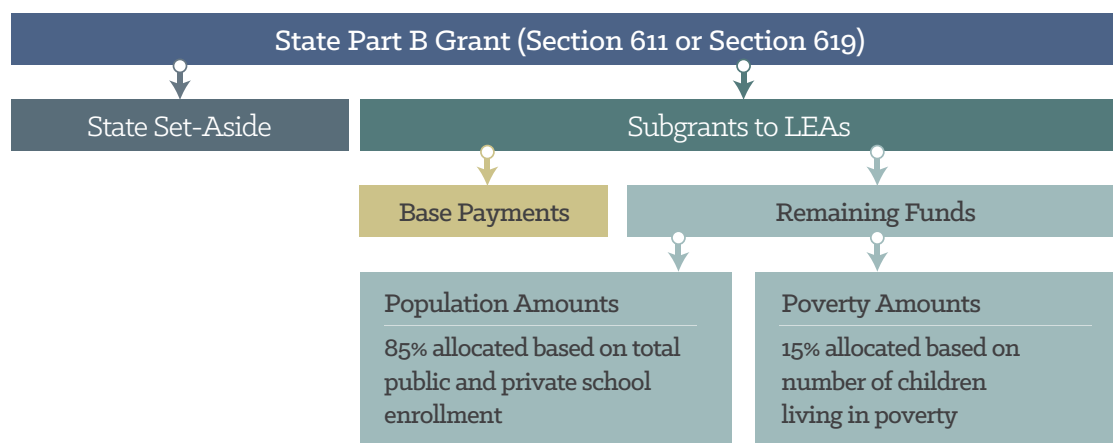
### Population and Poverty Payments

Once the state deducts grant funds reserved for administration of the IDEA Part B program and for other state-level activities (known as “state set-aside funds”) and the total base payment amount for the entire state, the SEA allocates the remaining IDEA Section 611 and Section 619 funds to LEAs (see Exhibit 1). These payments are based on the population and poverty measures outlined in 34 CFR §§300.705(b)(3) and 300.816(c):

- » Allocate 85 percent of any remaining funds to eligible LEAs on the basis of the relative number of children enrolled in public and private elementary schools and secondary schools within the LEA’s jurisdiction.
- » Allocate 15 percent of any remaining funds to eligible LEAs in accordance with the relative number of children living in poverty within the LEA’s jurisdiction, as determined by the SEA.

Note that if the Section 619 award to the state is less than it was in FFY 1997, each state is allocated the amount it received for fiscal year 1997, ratably reduced, if necessary (see 34 CFR §300.810(b)). As a result, LEAs would receive only the base payment funds for Section 619, including any necessary reduction commensurate with the state funds.

**Exhibit 1. Allocation of IDEA Part B Funds for State Activities and Subgrants to LEAs**



Every eligible LEA receives Section 611 and Section 619 funds based on the population and poverty formula even if it is not currently providing services to children with disabilities. Furthermore, eligible LEAs that currently serve (or have the potential to serve) 5-year-olds in kindergarten, regardless of whether they have preschool programs, should receive Section 619 allocations based on population and poverty calculations.

The SEA must use the most accurate data about how many children are enrolled in both public and private schools and how many are living in poverty.<sup>1</sup> These data must be used consistently across all LEAs. The same numbers of children are used to calculate both Section 611 and Section 619 population and poverty amounts, even though these funds support special education for children with disabilities in different age ranges.

Table 1 shows an example of how to calculate statewide allocations for population and poverty payments. In this case, after subtracting state set-aside and total base payments from the IDEA Section 611 grant award, the SEA needs to distribute \$167,450,000 to eligible LEAs based on the total number of children enrolled in public and private elementary and secondary schools within each LEA's area. In addition, \$29,550,000 is allocated based on the number of children living in poverty. These statewide amounts will be used in later examples to show how individual LEA payments are determined.

**Table 1. Sample Calculation of Total Statewide Population Allocation and Poverty Allocation**

IDEA Part B grant components	Amount
State Section 611 award	\$300,000,000
State set-aside funds	\$38,000,000
Statewide LEA base allocation	\$65,000,000
Remaining funds	\$197,000,000
Statewide population allocation (85% of remaining funds)	\$167,450,000
Statewide poverty allocation (15% of remaining funds)	\$29,550,000

## IDEA Part B Population Payments

Population payments are calculated based on the number of students enrolled in public and private elementary and secondary schools in an LEA's administrative responsibility or geographical boundary, without counting any student more than once. This includes *all* children, whether they have disabilities or not. It is essential to use the most accurate and up-to-date data based on the state's rules and timing for enrollment counts.

The SEA must decide what population counts to use and make sure the process is consistent each year. A common way to obtain population data is to take a snapshot of school-level enrollment in public and private schools using the state's centralized data system. To ensure clarity and consistency across all LEAs in the state,

<sup>1</sup> For Section 619, states need to use the best available and uniform data, as required by 34 CFR §300.816. The same applies to Section 611.

the SEA should clearly define the grades considered as elementary and secondary, including whether preschool is part of elementary school. The state should provide clear guidance to ensure that students, especially those in private schools, are accurately counted by only one LEA and that no one is omitted.

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## Public School Enrollment

Normally, traditional public school and charter school LEAs keep records of students enrolled in the schools they directly operate and share this data with the SEA. A traditional LEA typically collects enrollment information from charter schools that are public schools of the LEA. Children may be served by different public programs, such as alternative schools, state-operated programs, or a combination of placements. This can lead to confusion about which LEA should count them. To avoid this, the state should set clear business rules and steps to verify that each child is counted in only one LEA at a time.

Many states use a central student information system to collect and maintain comprehensive data on student enrollment, including children with disabilities. The state either collects enrollment on a specific day or takes an average across multiple dates.

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## Private School Enrollment

Private school regulations, definitions, and terminology differ from state to state. Private school enrollment usually includes children attending private nonreligious and religious schools as well as nonpublic schools that serve children with disabilities. For students placed in nonpublic schools or residential treatment centers, the SEA should have clear processes for reporting their data, along with others in similar placements.

In some states, homeschooled students may be part of the LEA's private school count for the school district. If the state recognizes home schools as private elementary or secondary schools, children who are homeschooled are considered private school students.

The SEA may obtain enrollment data from traditional LEAs in the jurisdictions where private schools are located or directly from the private schools themselves. Charter school LEAs, including virtual charter schools, do not have private school enrollment because they have no specific geographical jurisdiction like traditional LEAs. Data sources for private school population calculations vary by state, but usually there is a specific date or an average across multiple dates when the state gathers enrollment information.

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## LEA Population Payment Calculations

Table 2 shows sample calculations for determining individual population payments for LEAs, using the total statewide population allocation of \$167,450,000 from Table 1. The total enrollment of 3,120 children in public and private schools in LEA A represents 0.297 percent (rounded) of the total statewide enrollment. Multiplying the full percentage by the total statewide population allocation yields an LEA population payment of \$497,565.71. Note that Section 619 population payments would use the same enrollment information.

**Table 2. Sample Calculations for LEA Section 611 Population Payment**

A. LEA	B. Public school enrollment	C. Private school enrollment	D. Total public and private enrollment (B + C)	E. Relative enrollment percentage (D ÷ total statewide enrollment)	F. Population payment (E × total statewide population allocation)
LEA A	3,000	120	3,120	0.29714...%	\$497,565.71
LEA B	8,000	500	8,500	0.80952...%	\$1,355,547.62
...	...	...	...	...	...
LEA Z	2,250	0	2,250	0.21429...%	\$358,821.43
<b>Statewide totals</b>	<b>1,000,000</b>	<b>50,000</b>	<b>1,050,000</b>	<b>100%</b>	<b>\$167,450,000</b>

## Considerations for Population Payments

### Clear Definitions

- » Is there a clear and consistent definition of what constitutes an elementary and secondary public and private school in the state?

### Enrollment in Private Schools

- » How does your SEA determine the enrollment numbers for students in private schools?
- » Which office is responsible for providing this information, and how often is it collected?

### Data Collection for Charter School LEAs

- » What is your SEA's process for collecting enrollment data for charter school LEAs?

### Homeschooled Students

- » Are homeschooled students considered part of the private school student count?
- » If yes, what is the process your SEA has in place to make sure they are included in the population count?

### State-Operated Programs

- » How are enrollment numbers collected for state-operated programs that are IDEA Part B subrecipients?

## IDEA Part B Poverty Payments

SEAs decide how to define poverty when calculating IDEA Part B poverty payments, as outlined in 34 CFR §§300.705(b)(3)(ii) and 300.816(c)(2). SEAs must use a consistent definition of poverty across all LEAs and use the same data for both Section 611 and Section 619 payments. Also, the poverty measure chosen by a state to allocate IDEA funds needs to be consistent with what is used in other federal education programs, such as Title I of the Elementary and Secondary Education Act (ESEA).

Common data sources SEAs may use to measure poverty include:

- » The National School Lunch Program (NSLP) and School Breakfast Program (SBP), which are federally assisted meal programs providing low-cost or free meals to children in public and nonprofit private schools and residential childcare institutions. Whether a student is eligible for free or reduced-price meals is usually determined by their household income.
- » Community Eligibility Provisions (CEP), which allow schools and districts in low-income areas to offer free breakfast and lunch to all enrolled students without collecting household applications. Estimates of children living in poverty in schools and LEAs participating in CEP are calculated by multiplying the numbers of students in the direct certification data (such as NSLP/SBP) by 1.6.
- » The Small Area Income and Poverty Estimates (SAIPE) from the U.S. Census Bureau, which provide annual estimates of income and poverty for all LEAs, counties, and states.

In the event information is not available because of a public emergency, the U.S. Department of Education Office of Elementary and Secondary Education (OESE) has provided guidance on other ways to obtain poverty data for programs under the ESEA, such as Medicaid counts; using the best available NSLP data, which might be from the previous year; or a poverty survey at the LEA or SEA level. See OESE's *Fact Sheet on US Department of Agriculture Meal Waivers* in **Resources**.

No matter which method an SEA uses, it should have procedures in place to define the data sources and consistently and uniformly implement the procedures across all LEAs and federal education programs.

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### LEA Poverty Payment Calculations

Table 3 shows an example of how to calculate individual poverty payments for LEAs using the total statewide poverty allocation of \$29,550,000 from Table 1. For LEA A, the 437 children living in poverty represents 0.027 percent (rounded) of the total statewide number of children in poverty. Multiplying the full percentage by the total statewide poverty allocation yields an LEA poverty payment of \$8,070.84. Note that Section 619 poverty payments would use the same poverty information.

**Table 3. Sample Calculations for LEA Section 611 Poverty Payment**

A. LEA	B. Number of children living in poverty	C. Relative poverty percentage (B ÷ statewide total poverty number)	D. Poverty payment (C × total statewide poverty allocation)
LEA A	437	0.02731...%	\$8,070.84
LEA B	1,530	0.09563...%	\$28,257.19
...	...	...	...
LEA Z	225	0.01406...%	\$4,155.47
<b>Statewide totals</b>	<b>1,600,000</b>	<b>100%</b>	<b>\$29,550,000</b>

## Considerations for Poverty Payments

### Data Reliability

- » How up-to-date and reliable is your state’s information about the number of children living in poverty?

### Consistent Poverty Data

- » Does your SEA use the same poverty data for all LEAs, including charter school LEAs and state-operated programs?

### Methodology Consistency

- » Is the methodology your SEA uses for determining IDEA Part B poverty payments the same as the one used for calculating Title I grant allocations?

### Emergency Protocols

- » Does your SEA have established protocols for obtaining poverty data for all LEAs in case of a public emergency that disrupts the collection of poverty data?

## Summary

It’s crucial to have clear procedures in place and up-to-date and reliable data for SEA and LEA staff to accurately calculate IDEA Part B subgrant payments. The SEA’s procedures for allocating population and poverty payments should clearly explain how data from charter school LEAs, private schools, and homeschooled children are collected. It should also define the sources of poverty data and make sure the same data is used consistently for all LEAs in both Section 611 and Section 619 calculations. If you need help creating these procedures, please email [cifr\\_info@wested.org](mailto:cifr_info@wested.org) for assistance.

## Resources

- » Developing Written Procedures for the Allocation of IDEA Part B Subgrants to Local Educational Agencies  
<https://cifr.wested.org/wp-content/uploads/2021/03/CIFR-Practice-Guide-Developing-Written-Procedures-Allocation.pdf>
- » OESE Fact Sheet on US Department of Agriculture Meal Waivers  
<https://oese.ed.gov/files/2021/05/Fact-sheet-on-USDA-meals-waivers-Jan-2021.pdf>
- » OSEP's 2014 Dear Colleague Letter to CSSOs on School Lunch Programs  
<https://sites.ed.gov/idea/files/idea/policy/speced/guid/idea/memosdcltrs/school-lunch-program.pdf>
- » OSEP's 2022 Questions and Answers on Serving Children With Disabilities Placed by Their Parents in Private Schools (see Question I-1)  
[https://sites.ed.gov/idea/files/QA\\_on\\_Private\\_Schools\\_02-28-2022.pdf](https://sites.ed.gov/idea/files/QA_on_Private_Schools_02-28-2022.pdf)

For additional resources, please visit CIFR at <http://cifr.wested.org> or contact us at [cifr\\_info@wested.org](mailto:cifr_info@wested.org).

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