HIGH COST FUND (HCF)
UPDATE
SPECIAL EDUCATION DIRECTORS MEETING 4/12/2017

- OPTIONAL SOURCE OF ADDITIONAL IDEA-B FUNDS
- Opening date: Postponed (Was planned for April 1)
- Deadline: Usually one month deadline to submit applications

Definition of High-Need Child:

A high-need child with a disability receives special education and related services identified in an IEP that exceed the typical needs of a child with a disability, thus creating a financial impact on the LEA.

When the costs to provide a FAPE to a child with a disability exceed three times the APPE (average per-pupil expenditure), an LEA may request HCF from TEA.

Only costs identified in the child’s IEP and associated with providing direct special education and related services to the child are considered in determining whether a child is a high-need child.

LEA Eligibility Criteria to apply for HCF:

- The LEA ensures placements supported by HCF are consistent with LRE
- The LEA must not have lapsed IDEA-B Formula funds from the previous school year
- The LEA must not have carried forward 60% or more of its IDEA-B Formula funds from the previous year (IDEA-B Formula Carryover amount in the 2016-2017 Special Education Consolidated Grant application cannot be 60% or more of the 2015-2016 IDEA-B Formula amount)

Submittal of the Application:

Access HCF-Nonpublic/High Cost Funds in TEASE

HCF - Nonpublic/High Cost Funds
Notification for Nonpublic placements & funding applications and/or submission of eligibility data for High Cost Fund awards.
You may submit for multiple students, but the number of students cannot exceed 2% of your October 2016 snapshot count of students with disabilities enrolled in the LEA (unless extenuating circumstances exist and approval is obtained by TEA).

If you are a member of a special education shared services arrangement (SSA), your Fiscal Agent submits on your behalf.

**2016-2017 Application Revisions:**

1) The LEA’s Adjusted Allotment (AA) amount is no longer included in the equation for the child to qualify as a high-need child.

   Instead, the state average per-pupil expenditure (APPE) will be subtracted from the award amount.

2) The LEA’s SHARS (State Health and Related Services) amount is no longer included in the equation for the child to qualify as a high-need child.

   Instead, the SHARS expenditures amount will be subtracted from the award amount.

3) Residential students: If the 25% set-aside exceeds three times the APPE, a portion of those costs will be eligible for reimbursement as a High Cost Fund award.

4) Non-Public Day School (NPDS) students: If NPDS expenses exceed three time the APPE, a portion of those costs will be eligible for reimbursement as a High Cost Fund award.

5) Excess Transportation Costs Calculator: The application will include a link to an Excess Transportation Costs Calculator to assist in determining the eligible excess transportation cost (Transportation expenses in excess of state transportation funds).

Additional information regarding HCF located on TEA’s website at:

[http://tea.texas.gov/Academics/Special_Student_Populations/Special_Education/Programs_and_Services/Special_Education_Funding/High_Cost_Fund_State_Plan/](http://tea.texas.gov/Academics/Special_Student_Populations/Special_Education/Programs_and_Services/Special_Education_Funding/High_Cost_Fund_State_Plan/)