High Cost Funds Update

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Education Service Center, Region 20
AACASE Special Education Directors Meeting
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PURPOSE

• Additional source of funds that addresses the **financial impact** on the budget of an LEA providing FAPE to a student with disabilities whose needs exceed the typical needs of a child with a disability

  • The expectation is that the LEA is already **providing the services** for which they are requesting a HCF award, as identified in the child’s IEP, in order to provide FAPE based on the child’s unique needs as a result of the child’s disability

  • The purpose is **not** to provide additional services only **if and when** the LEA receives a HCF award
CRITERIA FOR LEA TO BE ELIGIBLE TO APPLY

Three Criteria for LEA Eligibility:

1) LRE ensures placements don’t violate LRE
2) LEA didn’t lapse funds (IDEA-B Formula or IDEA-B Formula Deaf) from the previous school year
3) LEA doesn’t carry forward 60% or more of its IDEA-B Formula funds from the previous year

• In the past, there was a fourth criteria that the LEA had to comply with all systems of accountability and reporting to TEA, including accountability ratings, performance-based monitoring, compliance, fiscal reports, dispute resolution process, etc.

• Effective 2014-2015, this fourth qualifier was removed

• More LEAs now qualify to request a HCF award
CRITERIA FOR STUDENT TO BE CONSIDERED A HIGH NEED CHILD

• Costs of educating the child is greater than three times the average per-pupil expenditure (APPE)

  • For 2015-2016:
    • Current APPE is $9,273
    • LEA must demonstrate it has spent at least $27,820 to meet the educational needs of a student identified as a high need child with a disability
      • Limited to direct special education and related services identified in the child’s IEP

• Keep in mind, the LEA’s AA (Adjusted Allotment) and SHARS Reimbursement amount for the particular child, if applicable, are subtracted from total costs.
  • The remainder must be at least $27,820.
  • Therefore, it is recommended that your total allowable costs for the student are at least $33,000 to ensure you meet the $27,820 threshold after subtracting AA and SHARS
CRITERIA FOR STUDENT TO BE CONSIDERED A HIGH NEED CHILD

• Can only consider costs identified in the child’s IEP AND associated with providing direct special education and related services
  • Costs incurred during the school year
  • All cost items documented in the HCF Eligibility Application must be clearly identified in the child’s IEP
  • Cannot be costs for:
    • Legal fees,
    • Court costs,
    • Other costs associated with a cause of action to ensure FAPE,
    • Costs that would be reimbursed under SHARS
APPLICATION

TWO SEPARATE APPLICATIONS:

• **Step One:** First, submit HCF (High Cost Fund) Eligibility application to request funds (due date revised to April 8, 2016)

  ![HCF - High Cost Fund eligibility](image)
  Initial request for a High Cost Fund award

• **Step Two:** If request granted, must then budget the award in eGrants application (Special Education IDEA-B High Cost Grant) and submit

  ![eGrants - eGrants Production](image)
  * Now processing all forms.

  If the LEA is a member of a Special Education SSA (Shared Services Arrangement), the Fiscal Agent submits the applications (HCF Eligibility Application and eGrants Application)
TEASE Account

• TEASE Account is required in order to access and submit the HCF Eligibility Application:
  • Only one submitter per LEA, or SSA if applicable, is allowed
    • Check now to see if you have access
    • Superintendents can see who has access by using their “User Administration +” account
    • If the approved submitter for the HCF Eligibility Application is an employee who should no longer have access, the superintendent must first revoke their access before approving a request for a new user

• Request Access for High Cost Fund Eligibility Application
  http://tea.texas.gov/About_TEA/Other_Services/Secure_Applications/TEASE_Request_Access_Online/
NUMBER OF STUDENTS

• Within the HCF Eligibility application (request for funds), are student pages – one per student

• May submit requests for multiple students

• **NEW**: Number of student applications **cannot exceed 2%** of child count (October snapshot count of children with disabilities enrolled in the LEA)

  • Upon approval by TEA on a case-by-case basis, may exceed the 2% cap due to extenuating circumstances
  • **If you want to be considered for additional students, must include the students on the initial application**
  • TEA will not allow additional students to be added later
REIMBURSEMENT BASIS

• The HCF award is on a reimbursement basis for actual expenditures:
  • LEA provides the services required by the child’s IEP and TEA reimburses for allowable expenditures identified in the HCF Eligibility application, based on availability of funds

• Previously, the LEA submitted the HCF Eligibility application in the fall, based on projection/estimate of expected expenditures

• **NEW**: The HCF Eligibility Application is submitted in the spring to request reimbursement for actual expenditures
  • Exception: Some projections are still allowed, such as payroll costs
REVISED HCF ELIGIBILITY APPLICATION

• TEA revised the HCF Eligibility application to make it easier to submit data
• **NEW:** Help files have been added to the application
• **NEW:** Supporting documentation must be submitted with the HCF Eligibility application:
  • High Cost Fund Application Submission Form and Checklist (Documentation Cover Sheet)
  • IEP/ARD Reports
  • Expenditures Documentation:
    • Payroll expenditures, if applicable
      • Be prepared to submit time and effort certification reports, if applicable, upon request
    • Pro-Rating Tool Calculation results, if applicable
    • Other applicable documentation
      • Be prepared to submit additional expenditures documentation, such as paid invoices, upon request
• High Cost Fund Application Submission Form and Checklist (Documentation Cover Sheet)
  • Form available in Help Files
    • Can also use form emailed to you from ESC so you can get everything ready now
  • Use one Documentation Cover Sheet per student
    • Complete cover sheet and assemble all documents (IEP, supporting expenditures documentation)
    • Number all pages
    • For each Description of Expenditures in the Documentation Cover Sheet, indicate the page number of where it is documented in the IEP and/or the page number of the supporting documentation included in the packet
    • Scan all documents and save as one pdf file
    • Upload the pdf file into the HCF Eligibility application
      • Upload link located at the bottom of each student page
Texas Education Agency  
Division of Federal and State Education Policy  

High Cost Fund Application Submission Form and Checklist  

<table>
<thead>
<tr>
<th>Student Name:</th>
<th>District:</th>
<th>ESC:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>District Contact:</td>
<td>Email:</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Instructions for submission:

1. Local educational agency (LEA)
   - Gather all required documentation (individualized education program (IEP)/admission, review, and dismissal (ARD) reports, payroll expenditures, travel, pro-rating tool calculation documentation, etc.)
   - Complete the **High Cost Fund Submission Form and Checklist**
   - Review all documents for accuracy
   - Place the documents in the order listed below:
     - **High Cost Fund Submission Form and Checklist** (2 pages)
     - copy of ARD/IEP reports (all pages)
     - Documentation (payroll expenditures, printed pro-rating tool documentation, etc.)
   - Number all pages (submitted as one document)

2. The LEA retains one copy and submits one copy to the Texas Education Agency.

***The district representative completing this form must initial each item to assure that the information has been provided and the page number identified.***

<table>
<thead>
<tr>
<th>#</th>
<th>LEA (page #)</th>
<th>Checklist Item</th>
<th>TEA USE ONLY</th>
<th>Description of Expenditures</th>
<th>Object (6160, 6200, etc.)</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>All documents were completed, signed, reviewed for accuracy, and submitted</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>All required documents are submitted as one document with all pages numbered.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Example: To justify related service listed under Description of Expenditures, indicate page where documented in IEP (Schedule of Services page of IEP)

Example: To justify pro-rated salary amount listed for payroll expenditure, indicate page number that shows results of Pro-Rating Tool Calculator
Revised Pro-Rating Calculator Tool

• Pro-Rating Calculator Tool must be used to calculate pro-rated salaries
  • Must be used for pro-rated personnel costs (6100 Payroll and 6200 Contracted Services)

• Available in the Help File in the HCF Eligibility application
  • Can also use Excel tool emailed to you from ESC so you can get everything ready now

• New feature: Pro-Rating Tool has a notation at the bottom that states a copy of the calculations from the tool must be submitted with the application
  • Save results electronically or print so the results can be scanned and uploaded into the HCF Eligibility application with the other required supporting documentation

• New feature: Pro-Rating Tool has a text box to allow LEA to enter notes, such as teacher name, student name
### High Cost Fund
**Prorating Calculator**

<table>
<thead>
<tr>
<th><strong>Teachers</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Annual Salary</strong></td>
<td></td>
</tr>
<tr>
<td><strong># of hours per week providing services to this student</strong></td>
<td>0</td>
</tr>
<tr>
<td><strong># of weeks through Aug 31 that services will be provided</strong></td>
<td>0</td>
</tr>
<tr>
<td><strong>Average # of additional students receiving services from this teacher at the same time as this student</strong></td>
<td>0</td>
</tr>
<tr>
<td><strong>Prorated teacher cost for this student</strong></td>
<td>$0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Aides/Related/Contracted Services</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Calculated pay per hour</strong></td>
<td>0</td>
</tr>
<tr>
<td><strong># of hours per week serving this student</strong></td>
<td>0</td>
</tr>
<tr>
<td><strong># of weeks through Aug 31 that services will be provided</strong></td>
<td>0</td>
</tr>
<tr>
<td><strong>Average # of additional students receiving services from this provider at the same time as this student</strong></td>
<td>0</td>
</tr>
<tr>
<td><strong>Prorated service cost for this service, for this student</strong></td>
<td>$0</td>
</tr>
</tbody>
</table>

**Notes:** (double-click in the box below to enter pertinent information such as teacher name and student name)

**Note:** A copy of the calculations from this tool must be submitted with all personnel costs associated with the HCF Eligibility application process, including 5100 and 5200. Documentation of these costs, including time and effort documentation, must be available if requested.
TEA Resources

http://tea.texas.gov/Curriculum_and_Instructional_Programs/Special_Education/Programs_and_Services/Special_Education_Funding/High_Cost_Fund_State_Plan/

High Cost Fund State Plan

This page provides information regarding the process for local educational agencies (LEAs) to request funds from the Texas Education Agency (TEA) to reimburse expenses incurred when providing a free appropriate public education (FAPE) to high-need children with disabilities.

High Cost Fund State Plan (PDF, 107KB)

Training and Technical Assistance

Additional training will be made available during the school year. If you need technical assistance, please contact your Education Service Center.

Technical Assistance Contact Information

(512) 463-9414 | High Cost Funding Team or email hcf@tea.texas.gov
TEA SE Support: TEA Help Desk
ESC Special Education Contact at your regional education service center
(512) 463-7025 | eGrants Help Desk or e-mail egrants@tea.texas.gov

March 2016
Contact

• TEA:
  • High Cost Funding Team
  • (512) 463-9414
  • Email: hcf@tea.texas.gov

• TEASE Account:
  • Request Access for High Cost Fund Eligibility Application
  • http://tea.texas.gov/About_TEA/Other_Services/Secure_Applications/TEASE_Request_Access_Online/

• ESC-20:
  • Denise Dusek
  • (210) 370-5378
  • Email: denise.dusek@esc20.net