Overview of the *IDEA* Recovery Funds

American Recovery & Reinvestment Act

Special Education Team

WI DPI

5/11/09

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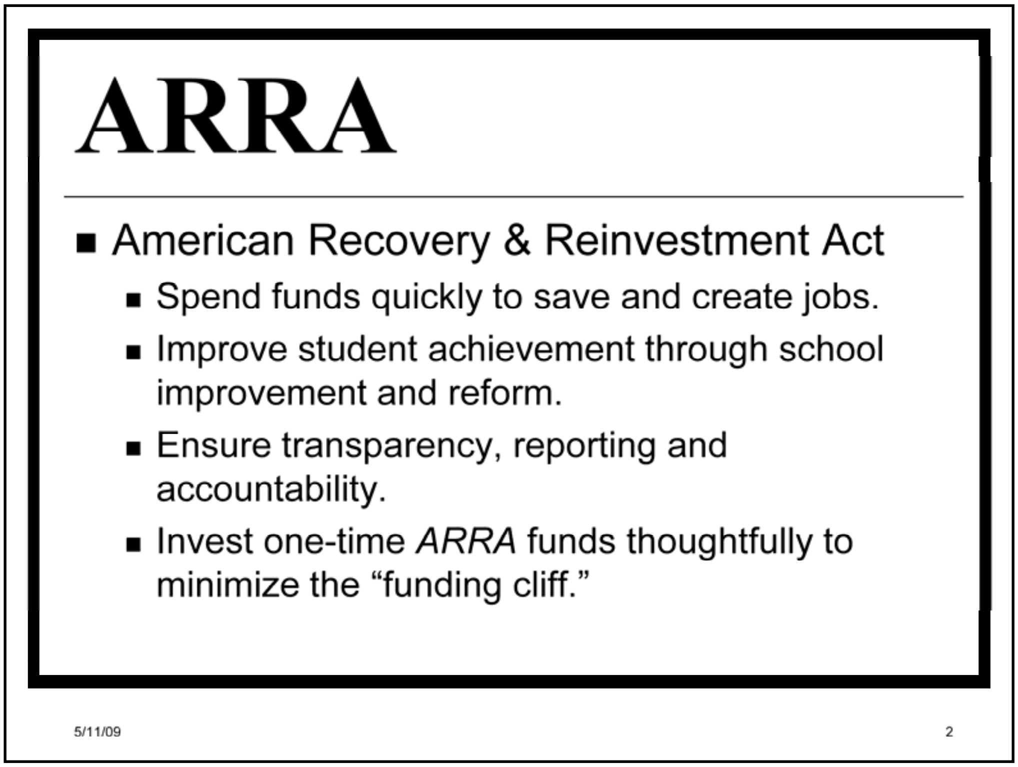
This is a general overview of the IDEA recovery funds that are part of the American Recovery & Reinvestment Act of 2009. My name is Rachel Zellmer, I am the grants specialist for the Special Education Team at the Wisconsin Department of Public Instruction.



The overall goals of the American Recovery & Reinvestment Act are to stimulate the economy in the short term and invest in education and other essential public services to ensure the long-term economic health of our nation.

ARRA's short-term economic goal is to invest quickly, and the long-term economic goals rely on the grantees to invest wisely, using these funds to strengthen education, drive reforms, and improve results for students from early learning through college.

Four principles guide the distribution and use of ARRA funds:

Spend funds quickly to save and create jobs.

Improve student achievement through school improvement and reform.

Ensure transparency, reporting and accountability.

Invest one-time *ARRA* funds thoughtfully to minimize the "funding cliff."

What's a "funding cliff?"

- Sustainability
  - Avoid investing ARRA funds into new programs or new staff, or greatly expanding existing programs, that will require local funding when ARRA funds end in 2011.
  - If LEAs wish to hire new staff or create new programs, they should have a plan in place for sustainability.

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The term "funding cliff" has been used frequently in relation to the ARRA funds. The concern is that LEAs will use the ARRA funds to create new jobs or programs that would not be able to be sustained once the grant funding runs out. The IDEA recovery funds will end September 30, 2011, so any new staff hired or new programs created with these funds will need to be supported by local dollars. It is not the intent of the recovery funds to create positions that will be eliminated in 2011 due to a lack of funds.

IDEA Recovery Funds

- Flowed-through the SEA to the LEAs for costs associated with special education
- Funds must be used in accordance with both *IDEA* and the *American Reinvestment and Recovery Act*

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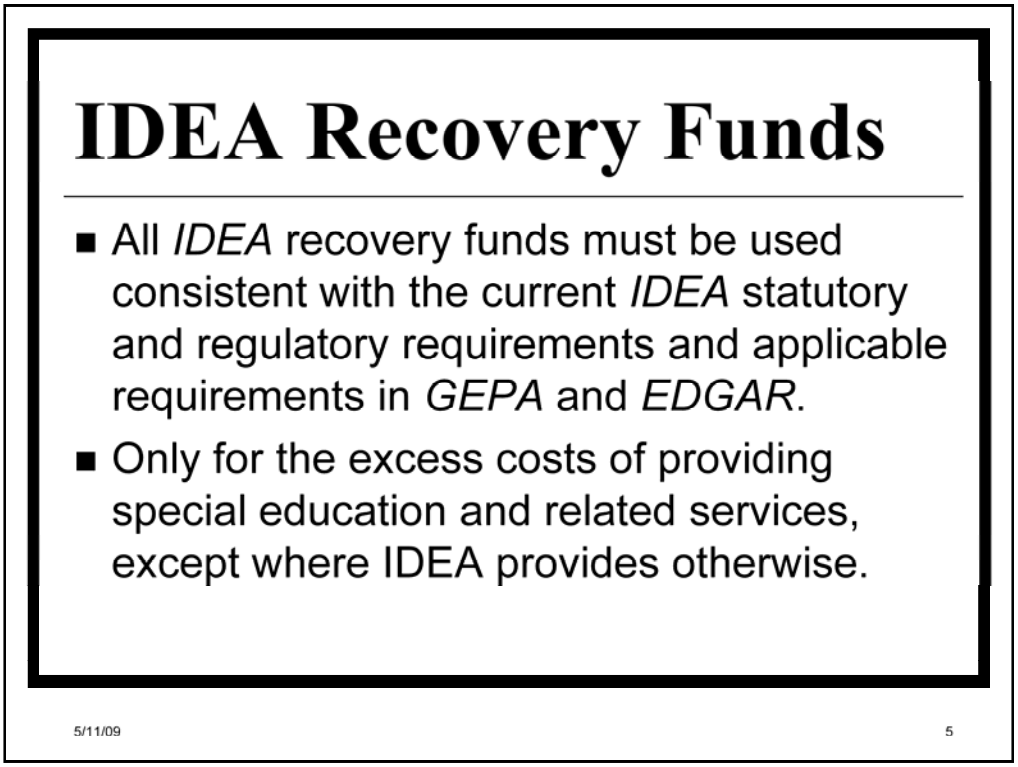
The IDEA Recovery Funds are provided through the American Recovery and Reinvestment Act. IDEA Recovery Funds are addressed in Article VIII.

The IDEA Recovery Funds will flow-through the LEAs in the same manner that IDEA entitlement dollars are awarded.

The IDEA Recovery Funds must be used in accordance with both IDEA regulations and the American Recovery and Reinvestment Act.



All *IDEA* recovery funds must be used consistent with the current *IDEA*, Part B statutory and regulatory requirements and applicable requirements in *GEPA* and *EDGAR*. *GEPA* is the General Education Provisions Act and *EDGAR* is the Education Department General Administrative Regulations.

This means that the IDEA recovery funds must only be used for the excess cost of providing special education and must be used in accordance with the allowable costs determined by IDEA and Wisconsin's state statute.

IDEA RECOVERY FUNDS

ALLOCATIONS

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At this time, I will discuss the allocation calculations for the IDEA Recovery Funds.

IDEA Allocations

- Single allocation for fiscal year 2009-10
- Funds released in three parts
  - 50% IDEA Recovery Funds, March 2009
  - 50% FY 09-10 IDEA flow-through and preschool entitlement funds, July 2009 (typical distribution)
  - Final 50% IDEA Recovery Funds and IDEA flow-through and preschool entitlement funds, October 2009

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SEAs are to treat the funding as a <u>single</u> allocation for fiscal year 2009-10. This allocation will be released in three parts –

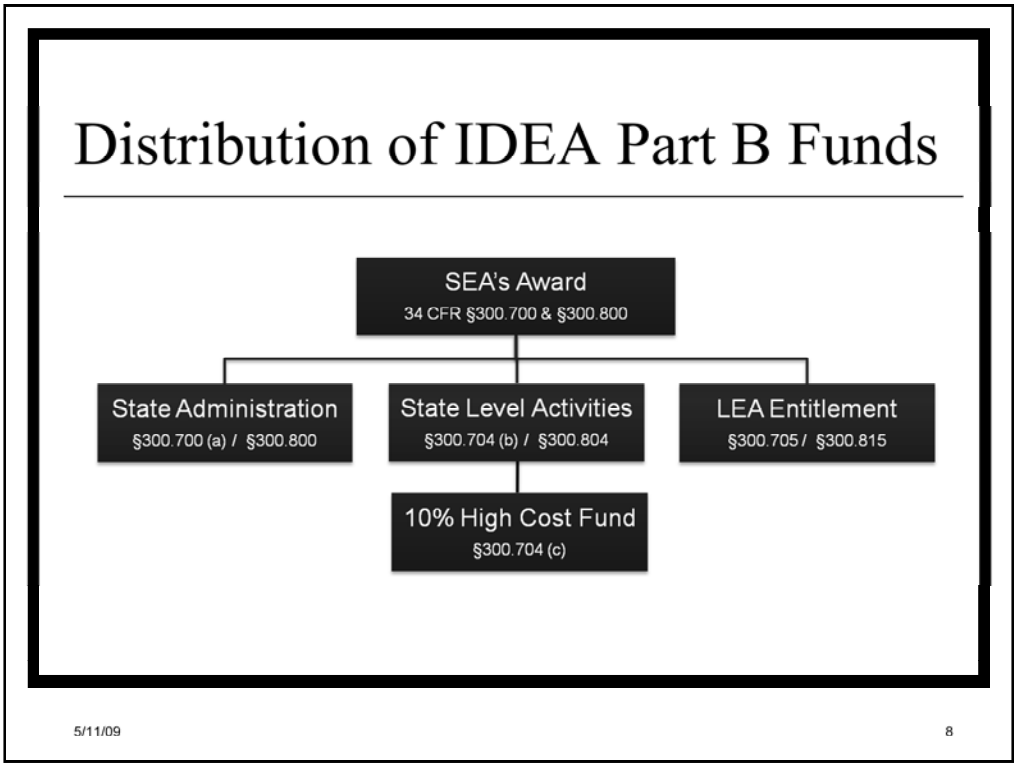
50% of the *IDEA* Recovery Funds in March 2009

50% FY 09-10 *IDEA* Flow-through and Preschool Entitlement Funds in July 2009, which is the typical time frame for distribution

And the remaining 50% of *IDEA* Recovery Funds and 50% of IDEA flow-through and preschool entitlement grants in October 2009

Although the entire allocation amount for fiscal year 2009-10 will be “made available” to LEAs in April, the LEAs will only be able to draw down the first 50% of *IDEA* recovery funds until October 2009 when the final 50% is released. The funding cycle for the IDEA recovery funds is February 17 (the date the Act was signed) through September 30, 2011.

The entire *IDEA* recovery funds are to be considered fiscal year 2009-10 funding. Including the Tydings Amendment regarding the 27 months a grant recipient is allowed to spend the fiscal year’s funds, LEAs will have until September 30, 2011, to expend the *IDEA* recovery funds. It was pointed out that the IDEA recovery funding cycle is more than 27 months, but OSEP is considering “July 1, 2009” as the first day of funding.

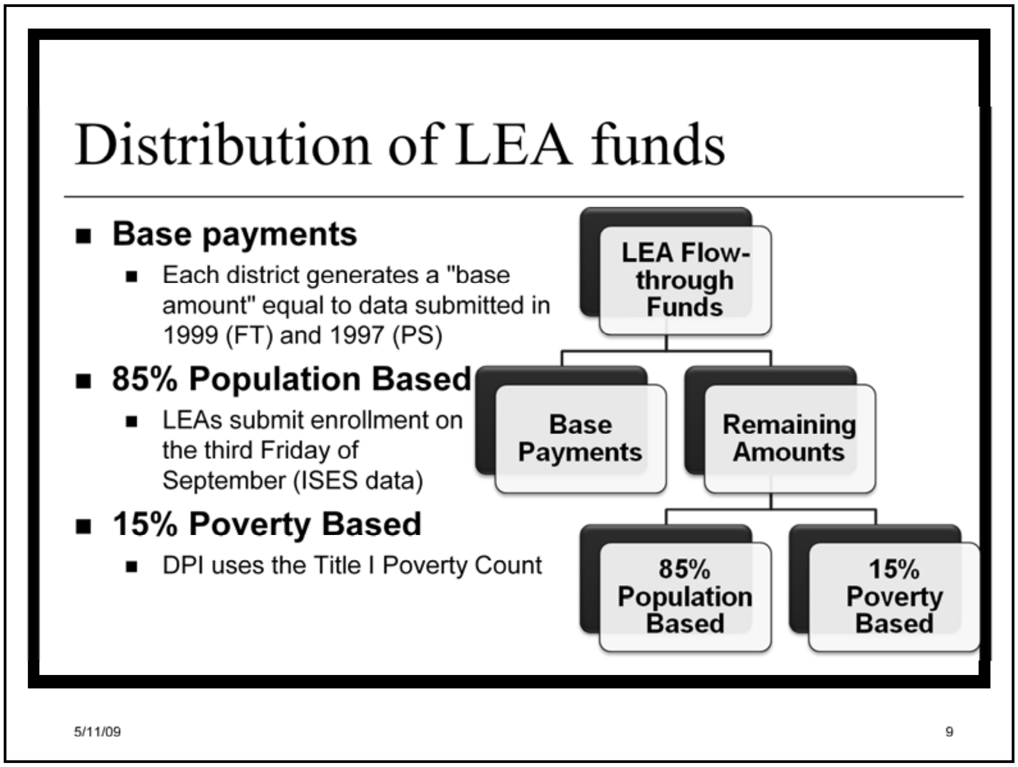


States establish eligibility for funds by submitting an application to US Department of Education.

A small portion of the SEA's award is set-aside for state administration, state level activities and the high cost fund, referred to in Wisconsin as the "Keeping the Promise" fund for high cost special education students.

The majority of the SEA's award is directed towards LEAs to supplement the excess cost of special education at the local level.

IDEA Part B entitlement funds include both the "flow-through" funds (covering children ages 3 to 21) and "preschool" funds (covering children ages 3 to 5).

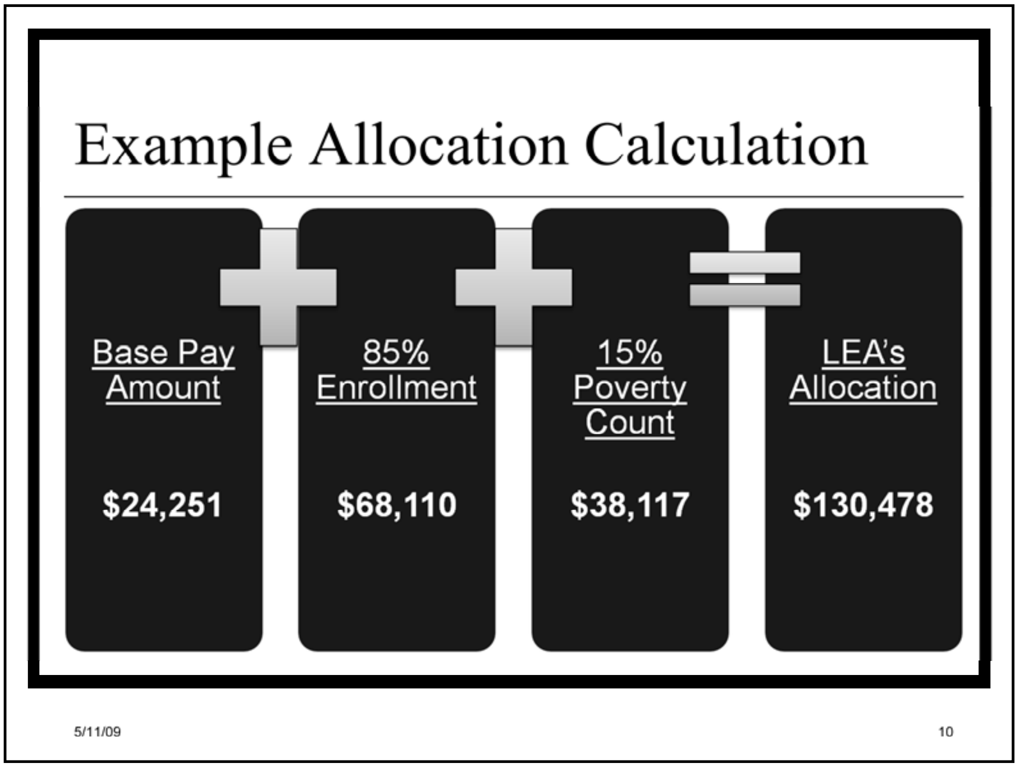


The distribution of LEA entitlement funds is based on a calculation determined in the IDEA statute.

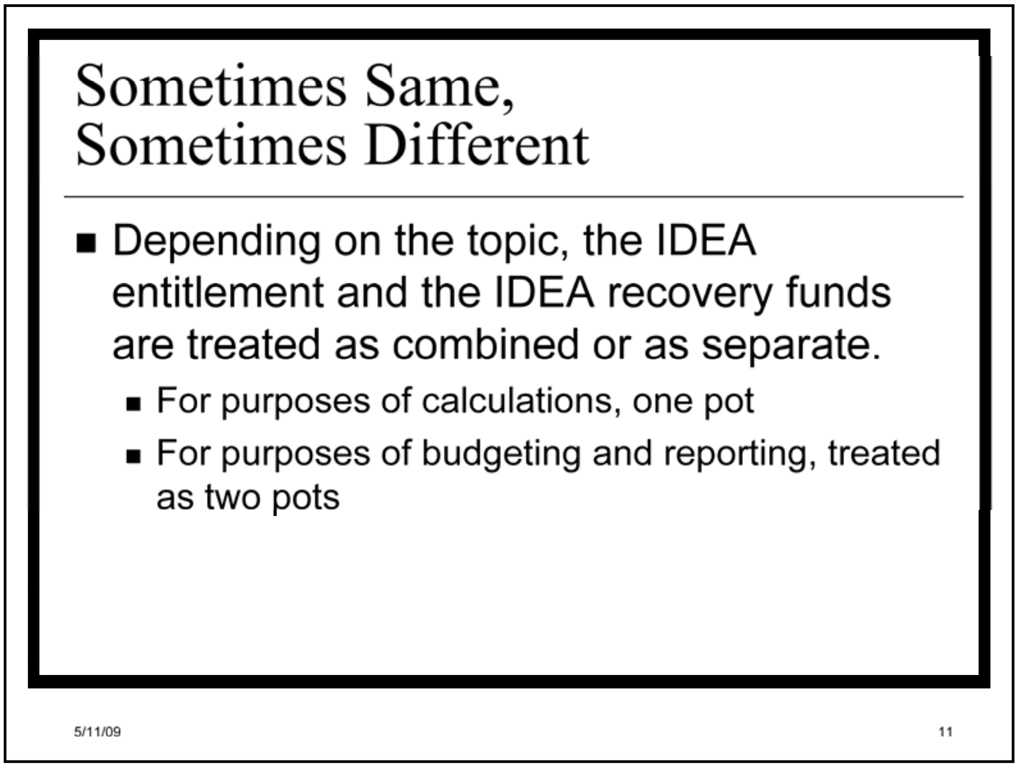
Through this calculation, each district generates a "base amount" with the base amount based on the LEA's December 1, 1998, child count.

IDEA Part B funding has seen a moderate increase each year since the base payments were established in 1997 and 1999. The "remaining amounts" in this graph reference the funding that is provided to LEAs above the amount that was available for the base payments in 1997 and 1999.

The IDEA recovery funds will be included in the "Remaining Amount" portion of this calculation. Remaining amounts are then distributed to LEAs based on the LEA's total student enrollment and Title I poverty count.



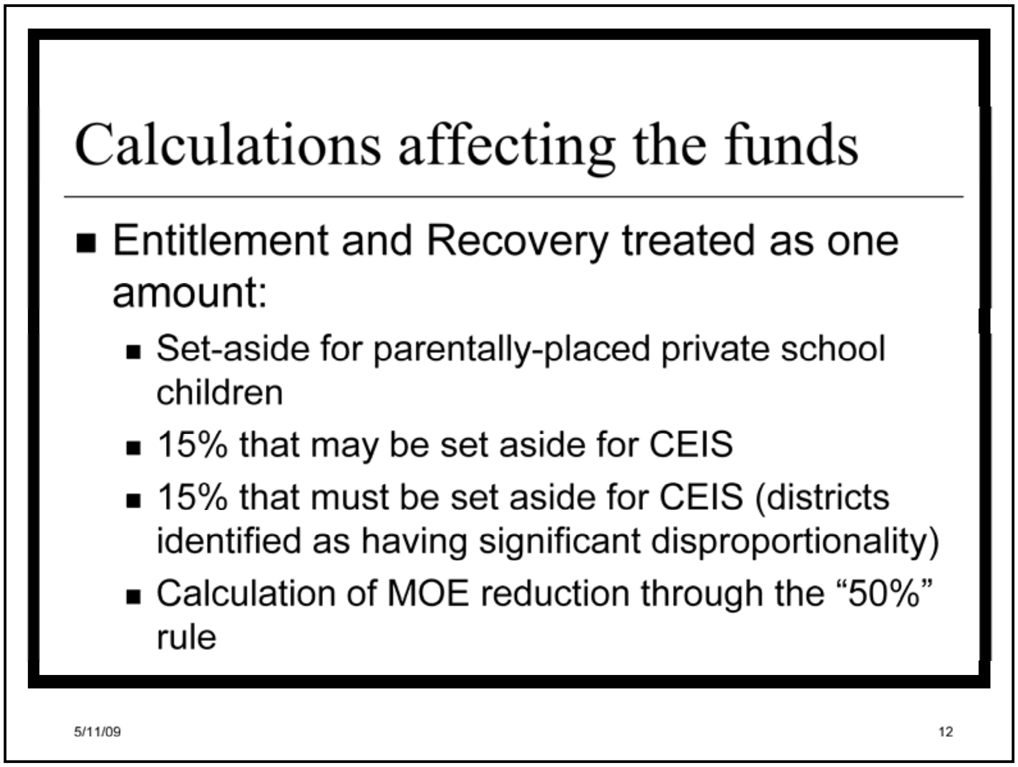
In this example, the base pay amount is the flow-through award the LEA received in 1997. Since 1997, the state's IDEA grant award has increased which has allowed for an increase to the LEAs. In this example, the LEA has seen an increase of $106,227 since 1997. The amount of increase the LEA receives is based on the LEAs total student enrollment and poverty count.



Depending on the topic, the IDEA Part B entitlement and the IDEA recovery funds are treated as combined or as separate funding.

For purposes of calculations, the entitlement and recovery funds are treated as one total amount.

For purposes of budgeting and reporting, entitlement and recovery funds are treated as separate funding sources.

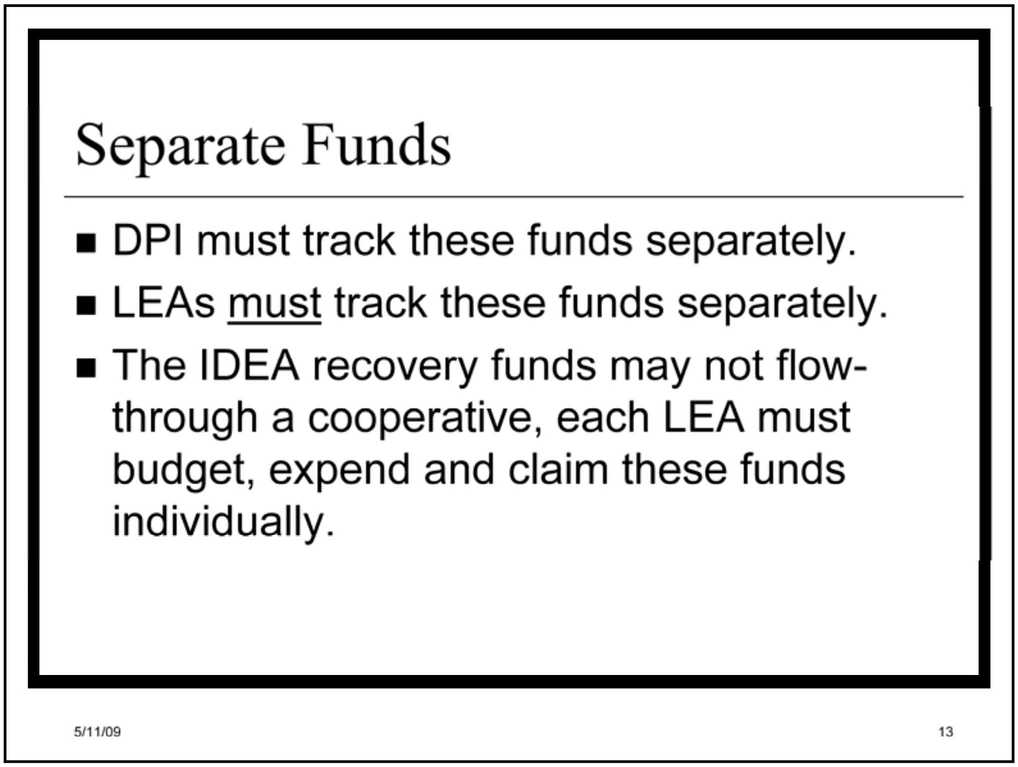


There are several fiscal issues that will be affected by the *IDEA* recovery funds. To note, these fiscal rules ***<u>are not new</u>*** to the recovery funds. They simply have greater impact because of the amount of funding that will be awarded in a single fiscal year.

Districts must include the *IDEA* recovery funds in calculating the proportionate share that must be spent on parentally placed private school children. (34 CFR §300.133(a))

The optional use of up to 15% of IDEA funds for Coordinated Early Intervening Services is based on the total amount available for both IDEA entitlement and IDEA recovery funds.

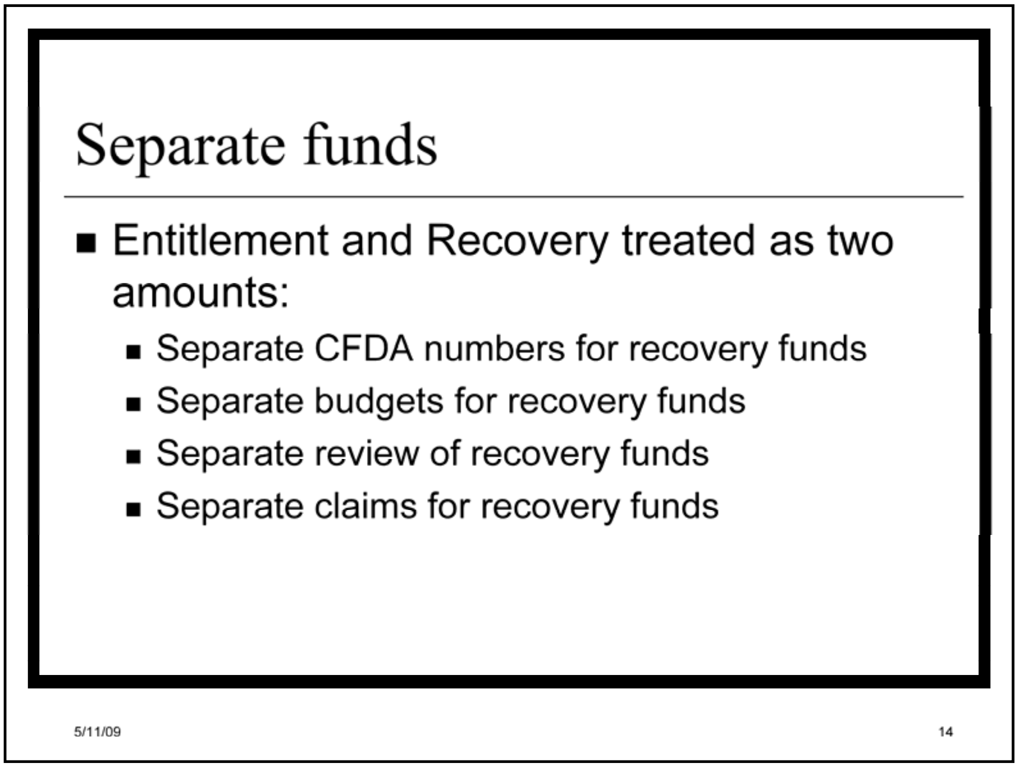
Separate guidance is now available on Maintenance of Effort and the IDEA recovery funds. This guidance covers the existing rules as established in sections 300.203, 300.204 and 300.205 of the regulations. These existing rules also apply to the IDEA recovery funds. I will briefly discuss maintenance of effort at the end of this presentation.



Although the funding is allocated as a single amount of funding, the *IDEA* recovery funds must be budgeted, expended, and claimed separately from the fiscal year 2009-10 *IDEA* flow-through and preschool entitlement funds. This differentiated accounting must be done at both the state and LEA levels.

Due to the unprecedented need for accountability and transparency of these funds, IDEA recovery budgets and claims may not be administered by a CESA or County Board through a cooperative. Individual LEAs will be responsible for submitting budgets and claims through the IDEA web-based budget software.

This decision was based on OSEP guidance that DPI will need to report, at the LEA-level, detailed budgets, expenditures and results of the expenditures as well as other reporting requirements, unknown at this time, tied to the funding.



Outside of calculations, the IDEA entitlements funds and the IDEA recovery funds are kept separate. IDEA recovery funds for both flow-through and preschool will be assigned new CFDA numbers, and budgets and claims for the IDEA recovery funds will be separate from the IDEA entitlement funds.

Although budgeted and tracked as a separate funding source with an identifiable CFDA, the current rules and regulations regarding *IDEA* funding apply to *IDEA* recovery funds with an added focus on improving achievement as directed by the A*RRA* priority of “Improving student achievement through school improvement and reform.”

CFDA Numbers

- Flow-through Entitlement: 84.027a
- Preschool Entitlement: 84.173a

- Flow-through Recovery: 84.391a
- Preschool Recovery: 84.392a

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This slide identifies the catalog of federal domestic assistance numbers. Flow-through and Preschool entitlement funds use their existing numbers whereas the recovery funds have been assigned new CFDA numbers.

Source Codes & Project Codes

	Source Code	Project Code
Flow-through Recovery	730	813
Preschool Recovery	730	819

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This slide identifies the project codes that have been assigned by DPI for the IDEA recovery funds under the American Recovery and Reinvestment Act. These are different than the project codes assigned to the existing IDEA entitlement funds.

IDEA RECOVERY FUNDS

TIMELINE

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At this time, I will discuss the IDEA Recovery Funds Timeline.

Funding timeline

- Funds are for FY 2009-2010
- LEAs may begin expending IDEA recovery funds on Feb. 17, 2009 (forward funding)
- LEAs may begin expending IDEA entitlement funds on July 1, 2009

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As stated earlier, funds are for fiscal year 2009-2010.

LEAs may have begun expending IDEA recovery funds since February 17, 2009, the date the American Recovery and Reinvestment Act of 2009 was signed. Although the funding is for fiscal year 2009-2010, the IDEA recovery funds are considered “forward funding,” meaning they can be expended prior to the start of the fiscal year they are awarded.

LEAs may begin expending IDEA entitlement funds on July 1, 2009, which is the normal timeline for IDEA entitlement funds.

Funding timeline

- All IDEA assurances, flow-through and preschool budgets must be submitted by July 1, 2009
- Final CEIS budgets for either IDEA entitlement or IDEA recovery funds must be submitted by November 1, 2009.

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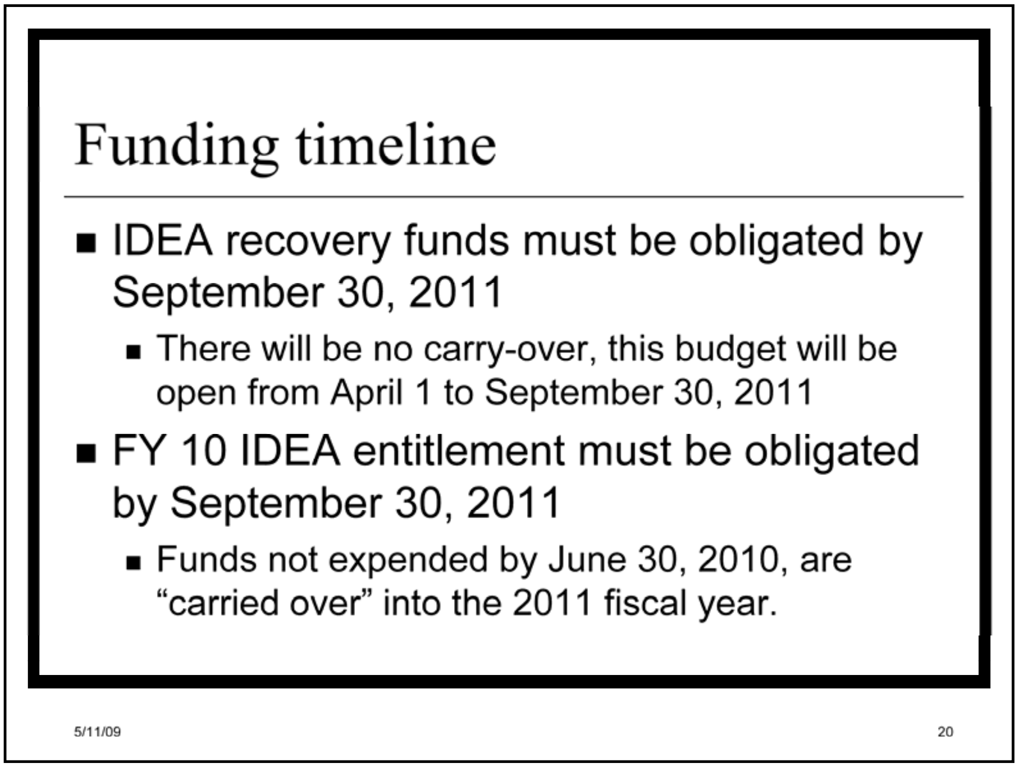
First and foremost, IDEA assurances and flow-through and preschool budgets, both for the regular IDEA entitlement and the IDEA recovery funds, must be submitted by July 1. The code of regulations 76 section 708 requires that an LEA cannot expend funds until the SEA has received the LEA's application in substantial form. DPI has determined that "substantial form" for IDEA is signed assurances from the district administrator and submitted IDEA budgets. DPI is not to reimburse expenses an LEA incurs prior to the receiving of the assurances and budgets.

CEIS budgets will have a due date of November 1 for the 2009-10 fiscal year. CEIS refers to the 15% of IDEA funding that an LEA may expend on coordinated early intervening services for students who have not been identified as students with disabilities but have been identified as being at-risk for failure. Even though the IDEA recovery funds are available from February 17, 2009 to September 30, 2011, an LEA may not submit a CEIS budget after November 1, 2009, as part of their IDEA recovery budgets. The amount budgeted for CEIS directly affects an LEA's maintenance of effort, thus the need for an absolute submission date.



As I stated in an earlier slide, the entire *IDEA* recovery funds are to be considered fiscal year 2009-10 funding. The deadline for obligating IDEA recovery funds will be September 30, 2011.

IDEA entitlement funding is actually under the exact same timeline, however, we treat any unspent dollars as "carry-over" that are added on to the LEA's following fiscal year's allocation.

Whereas the IDEA recovery fund budgets will not be "re-set" on July 1, 2010, the IDEA entitlement budgets will follow the normal process of closing out the fiscal year 2010 budget and then submitting a fiscal year 2011 budget.

Funding timeline

- After initial submission, IDEA recovery budgets will be in “amendment mode” until September 30, 2011.
- FY 2009-2010 IDEA entitlement budget amendments must be submitted by July 15, 2010.

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After initial submission, IDEA recovery budgets will be in “amendment mode” until September 30, 2011.

However, as with our normal processes, the IDEA entitlement budget amendments for next year must be submitted by July 15, 2010.

Grant Award from OSEP

- DPI received the allocation spreadsheet and grant award document from OSEP on April 1, 2009.
- DPI uses the established IDEA entitlement allocation calculation to determine funding amounts for LEAs
  - This includes both IDEA entitlement *and* IDEA recovery funds

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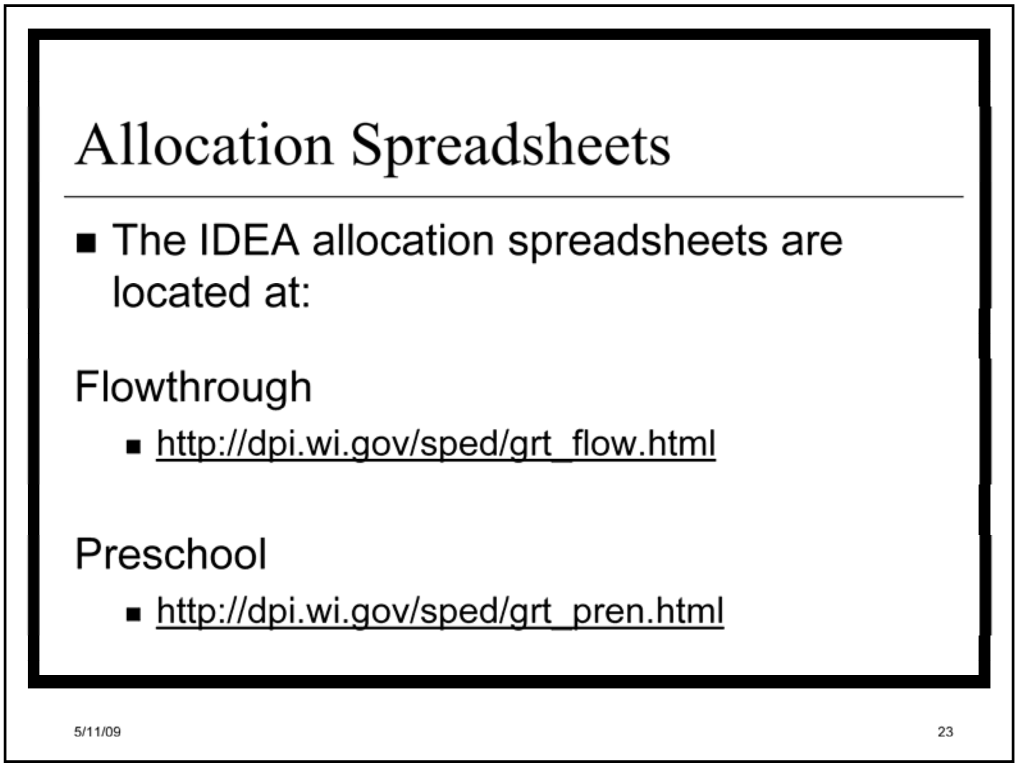
DPI received the allocation spreadsheet and grant award document from OSEP on April 1, 2009.

DPI uses the established IDEA entitlement allocation calculation to determine funding amounts for LEAs, which include both the IDEA entitlement and IDEA recovery funds for fiscal year 2009-10.



This slide contains links to the allocation spreadsheets for fiscal year 2009-2010.

FY 09-10 IDEA Budget Software

- Although the IDEA recovery funds are accounted for separate from the IDEA entitlement funds, both will utilize the current IDEA web-based budget software.
- On-line budgets for FY 2010 will become available to LEAs after DPI has calculated the allocations.

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Although the IDEA recovery funds are accounted for separate from the IDEA entitlement funds, both will utilize the current IDEA web-based budget software.

On-line budgets for FY 2010 became available to school districts at the end of April.

Budget training webinars will be scheduled for both experienced users of the software as well as those LEAs that will be new the IDEA budgeting process.

Claims Timeline

- LEAs must submit claims quarterly for both the IDEA entitlement and recovery funds. Separate claims will be required for:
  - Entitlement Flow-through
  - Entitlement Preschool
  - Entitlement CEIS
  - Recovery Flow-through
  - Recovery Preschool
  - Recovery CEIS

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LEAs must submit claims quarterly for both the IDEA entitlement and recovery funds.

There will be up to six claims submitted, based on the number of budgets submitted by the LEA. The Special Education team is working on methods for making this claim process submission easier on LEAs, including integrating the claims process into the IDEA budget software.

It will be mandatory that all LEAs submit quarterly claims as DPI will be required to report back to OSEP, quarterly, on expenditures made by the LEAs utilizing the IDEA recovery funds.

Maintenance of Effort (MOE) and the IDEA Recovery Funds.

IDEA's MOE Requirements

- SEA – IDEA prohibits a state from reducing state financial support for special education below the amount of that support for the preceding fiscal year. (34 CFR §300.163)
- LEAs – IDEA requires that LEAs must budget the same amount of local funding for special education as it expended in the previous fiscal year. (34 CFR §300.203)

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Part B of *IDEA*, which includes the language regarding *IDEA* funding allocations to the SEA and LEAs, includes MOE provisions applicable separately at both the state and local levels.

At the state level, Part B prohibits a state from reducing state financial support for special education and related services for children with disabilities below the amount of that support for the preceding fiscal year. In Wisconsin, we call this state financial support "special education categorical aid." Approximately $300 million is paid out to LEAs each year through special education categorical aid to help cover the local costs of providing special education and related services for children with disabilities. This is not federal funding, but rather an appropriation made in Wisconsin's state budget. To meet the *IDEA* MOE expectation, Wisconsin must continue to fund special education at this level every year.

At the local level, MOE requires that LEAs must budget the same amount of local and state funding for special education and related services as it expended in the previous fiscal year. There are provisions in *IDEA* to allow for decreases in an LEA's MOE from one fiscal year to the next.

IDEA's MOE 50% Rule

- The "50%" rule (34 CFR §300.205 (a))
  - If an LEA receives an increase in its *IDEA* flow-through allocation from one fiscal year to the next, the LEA may reduce its MOE obligations by half of the increased amount.
  - "Freed-up" funds must be used to carry out activities that could be supported with funds under the *ESEA* (34 CFR §300.205(b)).

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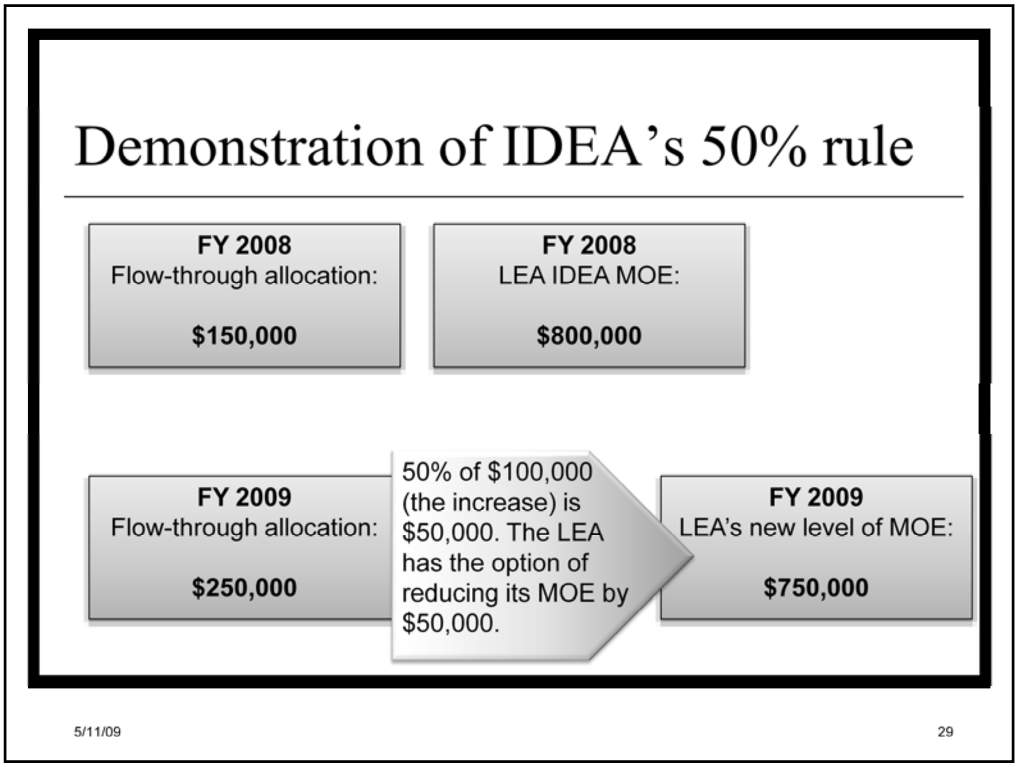
The most significant of IDEA's MOE provisions is referred to as the 50% rule. In the case of the 50% rule, if an LEA receives an increase in its *IDEA* flow-through allocation from one fiscal year to the next, the LEA may reduce its MOE obligations by half of the increased amount. The 50% rule only applies to the flow-through portion of Part B. The funds "freed-up" by the 50% rule must be used to carry out activities that could be supported with funds under the *Elementary and Secondary Education Act* (*ESEA).* This includes any activities allowed under Title I, Impact Aid, and other *ESEA* programs. An LEA could use these funds to pay for activities that are currently being funded with other state or local funds or for new activities.

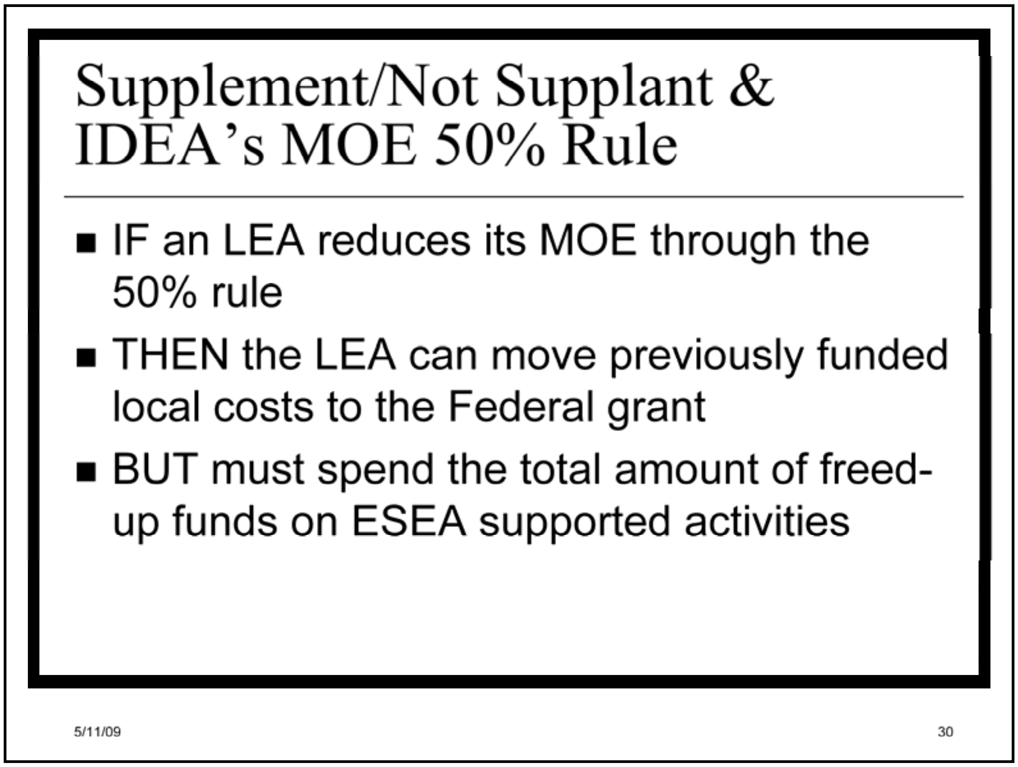


In this example, the LEA received an IDEA flow-through allocation in fiscal year 2008 of $150,000. During that same year, the LEA expends $800,000 in local funds on special education. The $800,000 includes all non-grant funded special education costs, both those that are and are not eligible for state categorical aid reimbursement.

The following year, fiscal year 2009, the LEA receives an increase in their flow-through allocation of $100,000. The LEA's flow-through allocation is now $250,000. Utilizing the 50% rule, the LEA would be allowed to reduce their local effort of $800,000 by $50,000. $50,000 is half the amount of the LEA's flow-through increase of $100,000.

The amount of $50,000, freed up through the 50% rule, must be expended on activities that support ESEA.

By taking advantage of the flexibility of IDEA's 50% rule, the LEA was able to reduce its MOE from $800,000 to $750,000. In the following year, and until the LEA increases local costs on their own, the LEA only needs to expend $750,000 to ensure that MOE has been met.



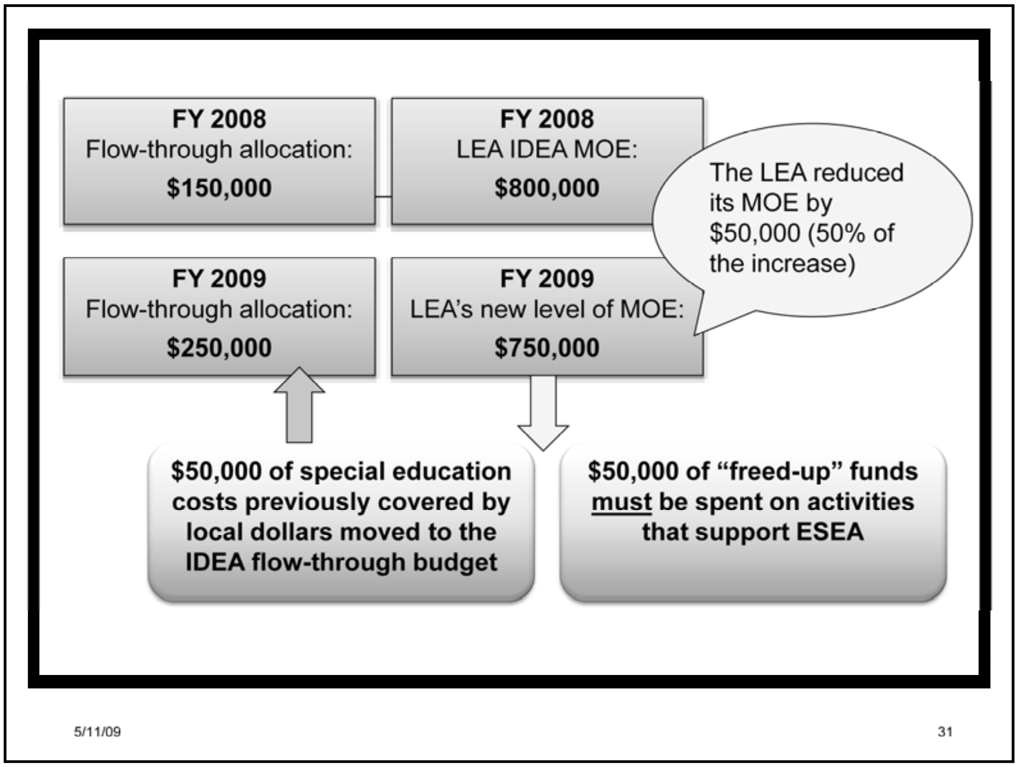
As far as the relationship between supplement not supplant and IDEA's 50% rule:

IF an LEA reduces its MOE through the 50% rule

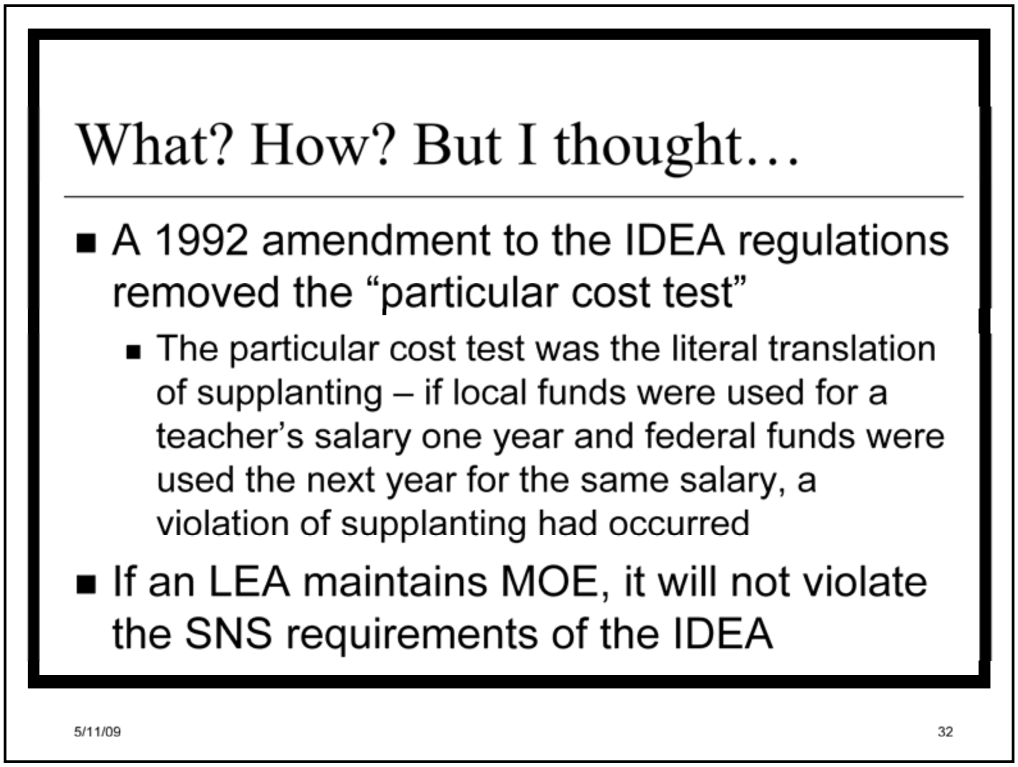
THEN the LEA can move previously funded local costs to the Federal grant

BUT must spend the total amount of freed-up funds on ESEA supported activities

As long as an LEA is expending the required amount of local / state funding for special education as determined by maintenance of effort, costs can be moved from local funding to federal funding without violating the supplement/not supplant requirements of IDEA. Therefore, if an LEA has the opportunity to reduce its MOE through the 50% rule, existing special education costs funded with local / state dollars can be moved to the IDEA funding.



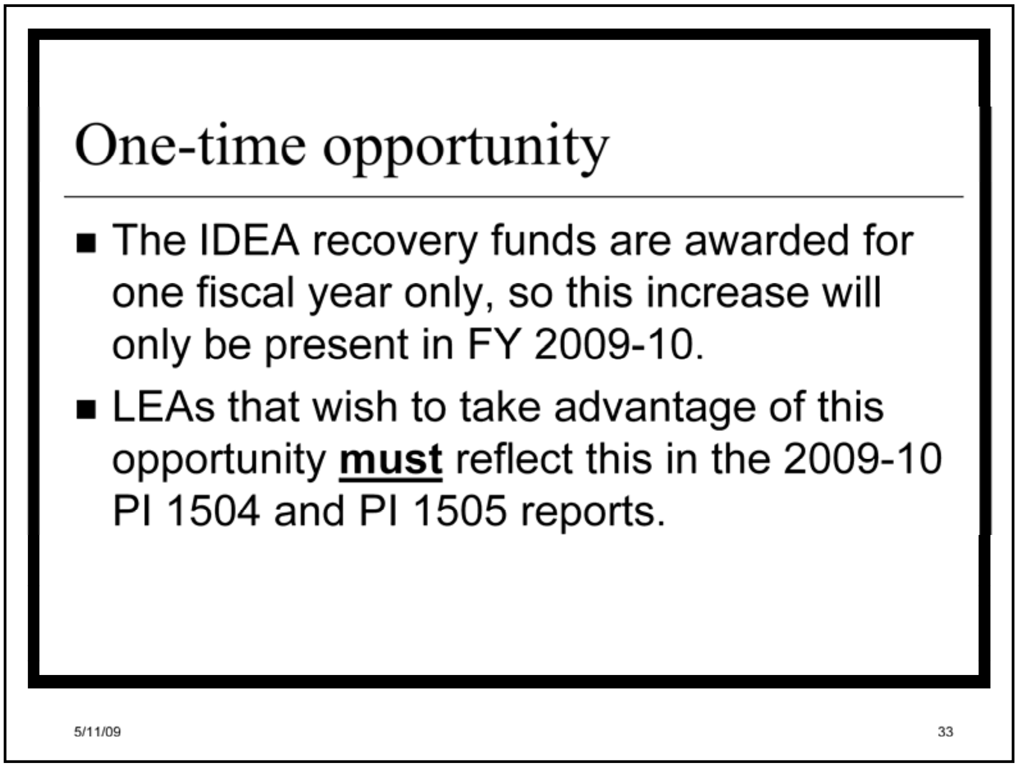
In this example, by utilizing the 50% rule, the LEA was able to reduce its local special education maintenance of effort by $50,000. The $50,000 worth of special education costs that were previously funded with the local dollars, such as a special education teacher's salary and fringe benefits, can be moved and charged to the IDEA grant. However, the entire amount of $50,000 in "freed-up" costs <u>must</u> be spent on activities that support ESEA. An LEA **may not** simply reduce its overall LEA budget by $50,000.



The question will be asked, how is the previous example *not* supplanting? It appears to be a violation of the second test of supplanting - an LEA using Federal grant dollars to pay for something that was funded in the previous year with local or state dollars.

This was true prior to 1992. IDEA Part B regulations used to include a “particular cost test” for determining whether supplanting occurred. This requirement meant, for example, that if an LEA spent Part B funds to pay for a teacher’s salary that was previously paid for with state or local funds, a supplanting violation would occur, even though the total amount of local funds spent on special education was greater or equal to the amount spent the previous year. So prior to 1992, an LEA could maintain effort but still violate the supplement/not supplant provision.

The “particular cost test” was removed from the regulations by an amendment published in the Federal Register on August 19, 1992 and became effective on October 3, 1992. Therefore, no requirement currently exists related to supplanting “particular costs” and if an LEA maintains local effort it will not violate the supplement/not supplant requirements of the IDEA. However, the required amount of maintenance of effort must be maintained by the LEA or a violation of MOE has occurred.



The IDEA recovery funds will only be awarded in the 2009-10 fiscal year. If LEAs do not reduce their maintenance of effort in 2009-10, then the option of utilizing the 50% rule against the IDEA recovery funds will be lost.

LEAs that wish to take advantage of this opportunity **must** reflect this reduction in the PI 1504 SE budget report submitted for fiscal year 2009-10 and the corresponding expenditures in the PI 1505 SE annual report that will be submitted during fiscal year 2010-11 to reflect fiscal year 2009-10.

Reminders

- Any funds budgeted for CEIS activities in fiscal year 2009-10 will reduce the LEA's amount available for MOE reduction.
- CEIS activities are "*ESEA*" supported, so any *IDEA* dollars budgeted for CEIS must be deducted from the amount an LEA could have reduced their MOE through the 50% rule (34 CFR §300.205(d)).

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IDEA 2004 permits LEAs to use up to 15 percent of their Part B funds for any fiscal year to develop and implement coordinated early intervening services, often referred to as "CEIS."

Coordinated early intervening services are intended for students who have not been identified as students with disabilities under *IDEA* but who are determined to need additional academic and behavioral supports to succeed in general education. Although granted through IDEA, these funds are <u>not</u> spent on special education and related services.

If an LEA reduces its MOE due to an increase in *IDEA* funds received from one fiscal year to the next (the 50% rule), the "freed up" funds must be used to carry out activities under *ESEA*. Activities funded with *IDEA* CEIS dollars <u>are</u> considered activities that could be carried out with *ESEA* funds, so *IDEA* regulations state that any *IDEA* dollars that are expended towards CEIS activities must be deducted from the amount an LEA could have reduced their MOE through the 50% rule. However, the use of *IDEA* CEIS funds does not <u>increase</u> an LEA's MOE obligation.

Reminders

- Total amount of funds “freed-up” through the 50% rule must be spent on activities that support ESEA and those activities must be reported to DPI.
- If reduced through the 50% rule, the LEA’s MOE remains at that reduced amount until the LEA increases its local costs through its own volition.

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Some reminders regarding utilization of the 50% rule:

Funds freed-up due to this regulation must be used to support ESEA activities. This includes any activities allowed under Title I, Impact Aid, and other ESEA programs. An LEA could use these funds to pay for activities that are currently being funded with other state or local funds or for new activities. The Office of Special Education Programs (OSEP) will require DPI to collect information from LEAs regarding the activities that are funded with the freed-up local dollars. DPI is currently waiting for additional guidance from OSEP regarding this requirement. In the meantime, LEAs should be aware of this reporting requirement.

If an LEA chooses to utilize the flexibility available through the 50% rule and reduce its MOE obligations, the LEA is only required to maintain the new reduced MOE amount in subsequent years, until that LEA increases the level of special education expenditures, using state or local funds, on its own.

IDEA/MOE Technical Assistance

- For more in-depth information on IDEA and Maintenance of Effort, including the effects on the IDEA Recovery Funds, please visit http://dpi.wi.gov/sped/lpp-budgets.html and look under “IDEA Flow-through and Preschool Entitlement Resources”
- Register for webinars at http://dpi.wi.gov/sped/idearecovery.html

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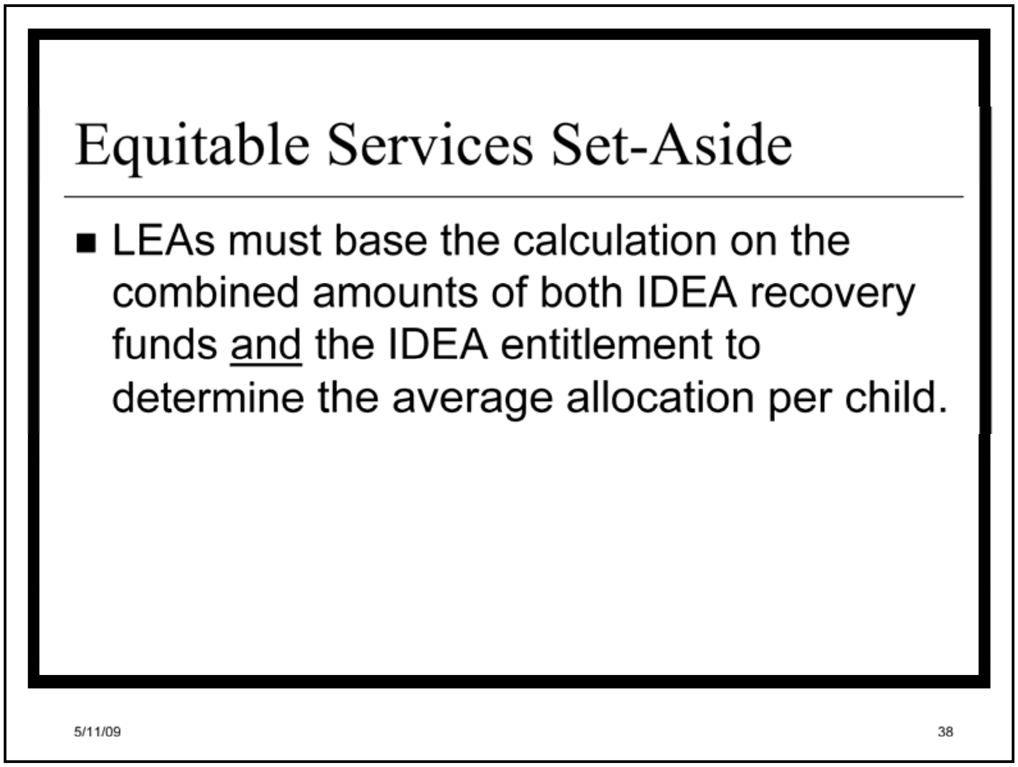
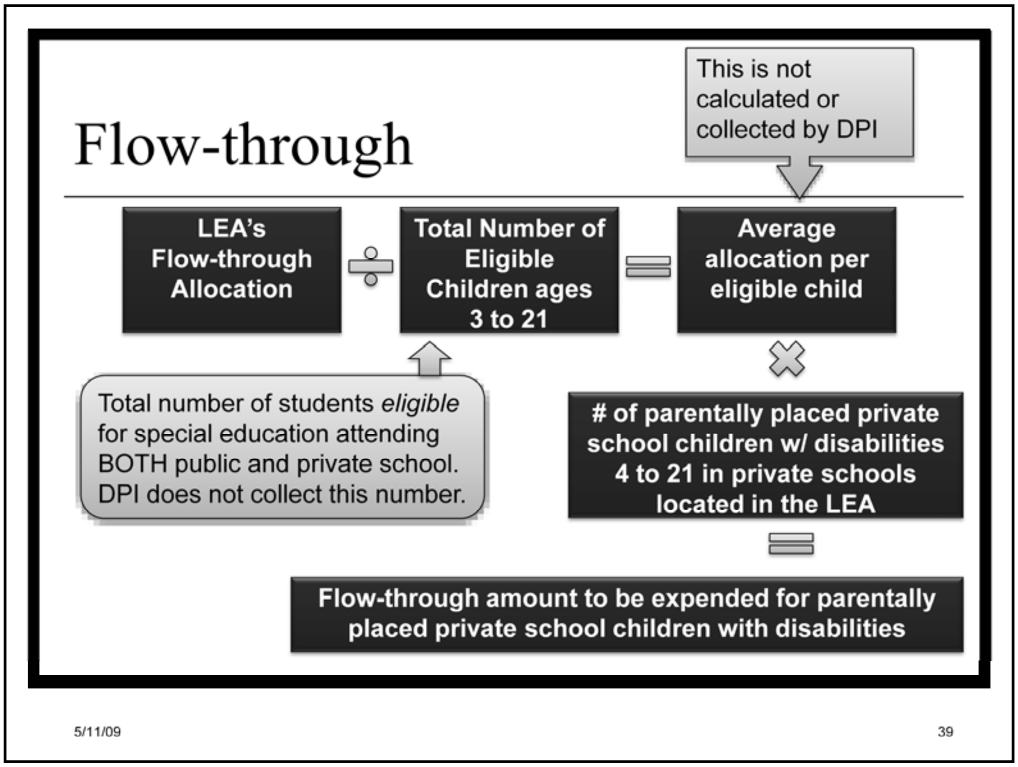
This slide contains a link to more information on IDEA and Maintenance of Effort. The materials include a technical assistance document and audio PowerPoint.

Equitable Services Set-Aside and the IDEA Recovery Funds



In fiscal year 2009-10, LEAs will be receiving additional IDEA funds through the *American Recovery & Reinvestment Act*. These funds will be in addition to the IDEA entitlement funds normally awarded to LEAs for fiscal year 2009-10. When determining the amount that must be set-aside and expended on parentally placed private school children in fiscal year 2009-10, LEAs must base the calculation on the combined amounts of both IDEA Recovery funds <u>and</u> the IDEA entitlement to determine the average allocation per child.



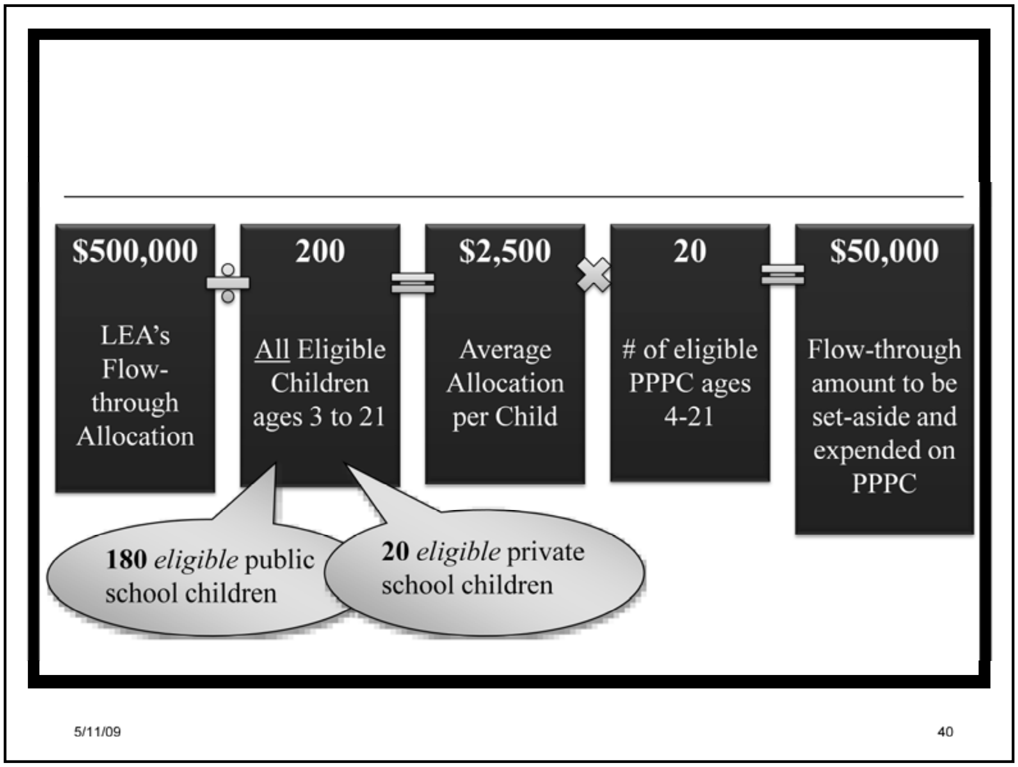
The calculation for equitable services is completed by the LEA. It is done for both the flow-through and preschool portions of IDEA. This slide provides a graphic of the calculation for the equitable services set-aside for flow-through to determine an average allocation per eligible child.

For fiscal year 2009-10, the "LEA's Flow-through Allocation" amount will be the total combined amounts of both the regular IDEA entitlement funds plus the IDEA recovery funds.

This amount is divided by the total number of children ages 3 to 21 who are eligible for special education attending BOTH public and private schools in the LEA's jurisdiction. This is the number of children who are eligible for special education, even if the child is not receiving services.

This calculation provides the average allocation per eligible child. This amount will be quite higher than the fiscal year 2008-09 amount due to the addition of the IDEA recovery funds.

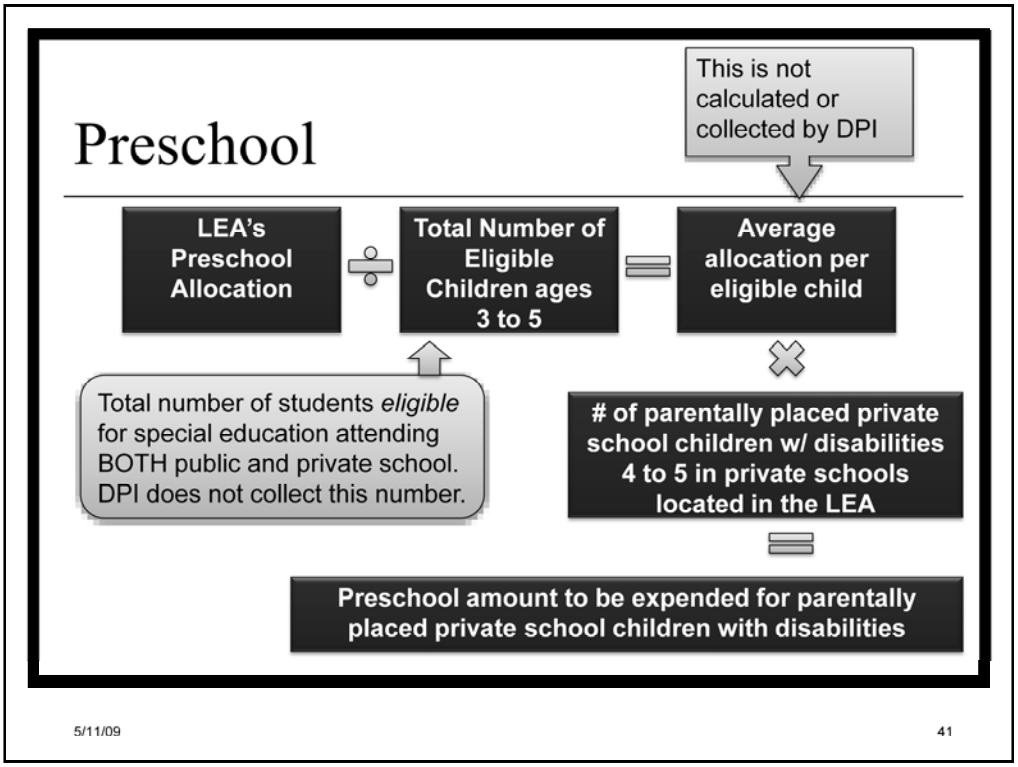
The average allocation is multiplied by the number of parentally placed private school children with disabilities 4 to 21 in private school located in the LEA to determine the flow-through amount that must be set-aside and expended.



This is an example of the calculation on the previous slide.

The LEA's flow-through allocation is $500,000. There are 200 children eligible for special education in the LEA's jurisdiction – this includes 180 children attending public school and 20 children attending private school.

This division determines the average allocation per child, which is then multiplied against the number of eligible private school children, which has been identified as 20. The LEA must set-aside and expend $50,000 of its flow-through allocation on special education and related services for parentally-placed private school children.



This is a graphic of the equitable services set-aside calculation that is drawn against the IDEA preschool allocation. The difference between the preschool equitable services set-aside calculation and the one completed for flow-through is that only eligible children ages 3 to 5 are counted and it is multiplied by the number of parentally placed private school children ages 4 to 5.

Consultation with Private Schools

- LEAs must engage in timely and meaningful consultation with private schools on how funds will be spent.
- New consultations must be conducted if IDEA recovery funds have not been addressed with the private schools.

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When making decisions about the use of IDEA funds for parentally-placed private school students, including the additional funds provided by ARRA, a school district must engage in timely and meaningful consultation with the private school representatives and representatives of parents of parentally-placed private school children with disabilities about how the funds will be used. The school district must give due consideration to their views.

If an LEA has conducted consultations but did <u>not</u> include the use of the recovery funds, it must conduct new consultations on the use of the funds.

Equitable Services Set-Aside

- If an LEA does not expend the funds made available in a fiscal year for equitable services to parentally placed private school children with disabilities, the LEA must obligate the remaining funds for special education and related services for this group of children during the carry over period of one additional year (34 CFR §300.133(a)(3))
- Any unspent funds after this one additional year are returned).

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If an LEA does not expend the funds made available in a fiscal year for equitable services to parentally placed private school children with disabilities, the LEA must obligate the remaining funds for special education and related services for this group of children during the carry over period of one additional year (34 CFR §300.133(a)(3))

Any unspent funds after this one additional year are returned.

A school district may spend part of the proportionate share of its IDEA recovery funds on children with disabilities in the 2009-2010 school year and part in the 2010-2011 school year. If the school district is considering this option, it should be discussed with private school representatives and parents of parentally-placed private school students during the consultation process.

Equitable Services Set-Aside Technical Assistance

- For more in-depth information on IDEA and the parentally placed private school children set-aside calculation please visit http://dpi.wi.gov/sped/lpp-budgets.html and look under “IDEA Flow-through and Preschool Entitlement Resources”
- Equitable Services Set-Aside Information Bulletin http://dpi.wi.gov/sped/bul06-03.html

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This slide contains links to additional information on IDEA and parentally placed private school children set-aside information.