

FY 2010 Consolidated Application
Special Education Program Guidance Information
IDEA Section 611, Federal Preschool Section 619 and State Preschool

These guidelines establish procedures for the use of the federal grant funds awarded under the Individuals with Disabilities Education Improvement Act of 2004 (IDEA 2004) and the State Preschool funds. **Part I** provides general information about the program purpose, applicable statutes/regulations and federal/state distribution of funds. **Part II** includes instructions to navigate through the special education program section to access the specific IDEA assurance statements and the attachments for permissive use of funds forms. **Part III** provides budget information and instructions with the function/object codes for these three grant programs.

The provisions of IDEA 2004, with respect to the right of a free appropriate public education (FAPE) and all other rights and protections for students with disabilities and their parents, are applicable to all local education agencies (LEAs), state schools, state charter schools and other state operated programs to the extent that students with disabilities are enrolled. Under the supervision of the Georgia Department of Education (GaDOE), the provisions of these procedures shall apply to all such agencies.

PART I - General Information and Instructions

To receive IDEA grant funds, each LEA must submit an annual Comprehensive Plan for Special Education and Related Services to serve all students with disabilities ages 3 through 21 within the system's jurisdiction, including parentally-placed private/home school students with disabilities. The Consolidated Application with the three year CLIP served as the initial plan for FY 2007 with annual updates thereafter. The federal flow-through grant funds are used to:

1. Assist LEAs in providing special education and related service to students with disabilities;
2. Ensure that the rights of students with disabilities and their parents are protected;
3. Enhance ongoing learning for parents, teachers, paraprofessionals, and instructional leaders in conjunction with the Georgia Learning Resources System (GLRS) personnel;
4. Provide LEAs with assistive technology, alternative materials and programs and positive behavioral supports through Georgia's Project for Assistive Technology (GPAT), Georgia Instructional Materials Center (GIMC), Positive Behavioral Supports for Georgia and Georgia's Network for Educational and Therapeutic Supports (GNETS); and
5. Support LEAs to collect, manage, analyze and report data through their district to enhance school system improvement strategies and results for students with disabilities.

STATUTES/REGULATIONS

Federal: 20 U.S.C. 1400, et seq., Individuals with Disabilities Education Improvement Act of 2004 P.L. 108-446 and CFR Part 300, et seq., establish the authority and parameters for these procedures.

State: O.C.G.A. 20-2-150 et seq., Georgia State Board of Education Policy IDDF and Rules 160-4-7-.01 et seq. mandate programs and services for students with disabilities enrolled in the public and private schools of Georgia. Rule 160-4-7-.17 requires an annual Special Education Comprehensive Plan.

DISTRIBUTION OF FUNDS

Catalog of Federal Domestic Assistance	Subprogram Number
IDEA, Part B, Section 611 – Flow-through	84. 027A
IDEA, Part B, Section 619 – Preschool	84. 173
IDEA, Part B, Section 611 - Stimulus Flow-through	84.391A
IDEA, Part B, Section 619 – Stimulus Preschool	84.392A

FEDERAL DISTRIBUTION OF FUNDS

IDEA Flow-through Grants – Part B – Section 611 establishes a formula for grant awards. For FY 2007 and subsequent years, the maximum amount a State may receive is based on the number of children with disabilities in the 2004-2005 school year in the State who:

- received special education and related services aged 3 through 21;
- multiplied by 40% of the average per pupil expenditure in public elementary and secondary schools in the United States;
- adjusted by the rate of annual change in the sum of 85% of the State’s population of children aged 3 through 21 who are of the same age as children with disabilities for whom the State ensures the availability of FAPE under Part B of IDEA; and
- 15% of the State’s population of children who are living in poverty.

Preschool Grants – Part B - Section 619 states that if the amount available for allocations to States is equal to or greater than the amount allocated to the States under this section for the preceding year, those allocations shall be calculated as follows:

- allocate to each State the amount it received for FY 1998;
- allocate 85% of any remaining funds to States on the basis of their relative populations aged 3 through 5; and
- allocate 15% of those remaining funds to States on the basis of their relative populations of all children aged 3 through 5 who are living in poverty.

American Recovery and Reinvestment Act (ARRA) of 2009

The ARRA Part B funds are a supplemental appropriation to the annual IDEA Part B Grants to States and Preschool Grants that will be distributed in two installments-50% in May and 50% in September.

STATE DISTRIBUTION OF FEDERAL FUNDS

IDEA Flow-through Grants – Section 611 of IDEA 2004 requires that from FY 2000 forward, funds be distributed as follows:

The State shall first award each local education agency the amount that agency would have received for fiscal year 2000, if the State had distributed 75% of its grant for that year. After making that allocation, the State shall allocate 85% of any remaining funds on a basis of relative numbers of children enrolled in public and private elementary and secondary schools within the agency’s jurisdiction; and allocate 15% of those remaining funds to those agencies in accordance with their relative numbers of children living in

poverty. Free and reduced lunch figures from the previous FTE - 1 are utilized to define poverty for each agency.

Preschool Grants – Section 619 of the IDEA 2004 requires that from FY 1998 forward, funds be distributed as follows:

The State shall first award each agency the amount that agency would have received for FY 1998 if the State had distributed 75% of its grant for that year. After making that allocation, the State shall allocate 85% of any remaining funds on a basis of relative numbers of children enrolled in public and private elementary and secondary schools within the agency's jurisdiction; and allocate 15% of those remaining funds to those agencies in accordance with their relative numbers of children living in poverty. Free and reduced lunch figures from FTE - 1 are utilized to define poverty for each agency.

ARRA grants for IDEA and Preschool Stimulus Funds– The state allocates 85% of these funds on a basis of relative numbers of children enrolled in public and private elementary and secondary schools within the agency's jurisdiction; and allocates 15% of those remaining funds to those agencies in accordance with their relative numbers of children living in poverty. Projects or activities must be completed and a report on the use of the funds will be made available to the public. A minimum of quarterly reports shall be completed no later than ten calendar days beginning with July 10, 2009. At a minimum, systems should anticipate reporting:

- the total amounts of ARRA funds received and expended or obligated;
- the name, description and evaluation of the project or activities completion status; and,
- an estimate of the number of jobs that were saved or created with the funds.

To maximize the transparency and accountability of the ARRA funds, systems agree to maintain records that separately identify expenditures prior to September 30, 2011.

DISTRIBUTION OF STATE PRESCHOOL AND OTHER STATE GRANT FUNDS

The General Assembly appropriates funds for the preschool program for students with disabilities annually and GaDOE calculates each grant award based on the number of three and four year old students who are served utilizing a modified QBE formula. In addition, other state grant applications are accepted, reviewed and approved based on specific grant purposes – Low Incidence, Residential and Reintegration, and Other Agencies Grants. Generally, administrative and indirect costs may not be charged on these state grants.

PART II – Application Instructions

Each LEA is required to submit the Consolidated Application for special education through the on-line website. This is a two step process with the Comprehensive LEA Plan (CLIP) being submitted first by each local agency. As the special education director, you will use the recommendations from your district stakeholder group to review and update or revise your plan annually. If you were monitored or are disproportionate, you will need to update your plan. Once the LEA implementation plan or annual update is approved by GaDOE, the individual program budgets (the three special education budgets) may be submitted to your superintendent and then onto the state program manager for approval. Your grant funds are then available to draw down through the Grants Accounting On-line Reporting System (GAORS) as long as your Maintenance of Effort has been approved.

Once appointed as the special education contact for the Consolidated Application, you will need to familiarize yourself with the Consolidated Application Navigation site and the planning process documents which include the NCLB/IDEA Descriptors, the LEA Implementation Plan and your district profiles. Plan to attend the annual training for users in May at an ETC site. A short description of your participation in the process is described below.

A. LEA Implementation Plan with NCLB/IDEA Goals, Descriptors and Profiles

Basically, you will incorporate your stakeholder recommendations into the LEA Implementation Plan and include at least a brief summary of your efforts to meet the four IDEA performance goals. All goals and indicators **MUST** be addressed prior to FY 2012. The appropriate indicator within the performance goal becomes the Annual Measurable Objective in the implementation plan as long as you include an outcome measure with it. In addition, your strategies and other components of the action plan must be addressed. Whenever possible, students with disabilities (SWD) should be included within the appropriate NCLB goals. The LEA plan must be submitted by August 31 and approved prior to submitting any budgets.

Descriptors

Within the 31 descriptors listed, there are 16 descriptors that may include students with disabilities (SWD) information. Check to make sure that whenever IDEA or All Students are cited in the descriptor heading that SWD are included in the narrative that is written (Descriptors 1, 2, 3, 5, 6, 8, 9, 13, 14, 15, 19, 20, 21, 22, 24, and 28). These descriptors will coincide with OSEP's 20 indicators in the State Performance Plan (SPP) which the Divisions for Special Education Services and Supports has described in its four goals and 16 indicators.

District Profiles

You have two data profiles available through the report card – LEA and Exceptional Students. With local stakeholder suggestions, these profiles should help to prioritize the specific goals and indicators to be improved in your application or annual update to meet your local and state targets. Demographic data from FTE-2 in December is available in your spring profile while all other data will be populated in the State Report Card rollout in the fall.

B. Budget Process with Assurances, Data Tabs and Permissive Forms

District compliance with federal/state laws and regulations/rules is attested to by the superintendent through assurances. There is a generic assurance document in the regarding lobbying, debarment, and drug-free workplace with common certifications for most federal programs. In addition, the special education program has specific assurance requirements. Specifically, the LEA is attesting to the federal/state rules and regulations for students with disabilities as well as specific requirements such as child find, eligibility procedures, excess cost/supplanting, data collection/reporting, etc. After accessing the consolidated application portal, access your IDEA Flow-through budget and then click on the assurances box to read the general and program assurances so you are aware of what the superintendent is attesting to when he signs off on the application.

Exceptional Student Data Collection Tab

IDEA requires additional data collections unique to special education. These items will be shown in the IDEA Flow-through budget under **Program Information**. The second line will show

Uploads and Exceptional Students as a separate “tab” or “window.” Access the Exceptional Students tab and three forms will appear (Proportionate Share, Personnel Vacancies and EIS Worksheet). These required forms will need to be accessed and the data completed.

1. The Proportionate Share form provides information on parentally placed private/home school students to ascertain the proportionate amount of funds to be used for LEAs. Fill in your student count for 3-5 and 3-21 from your past December 1 count and your initial allocations for IDEA Preschool and Flow-through. The formula will calculate the amount of funds available for proportionate services. Remember to conduct and document your consultation process prior to July and announce your decision on the services to be delivered prior to August 1 or school starting. LEAs must track these funds locally and carryover any unused funds.
2. The Personnel Vacancies form provides data on the number of all special education personnel employed/contracted and the specific vacancies within the LEA for the **previous school year**. All agencies are required to complete this tab.
3. The EIS budget worksheet is mandatory for all required and optional usage for Early Intervening Services funds. **Required LEAs must use the maximum 15%** EIS funds for intervention with high risk regular education students. **Up to 15% may be used for optional usage** of EIS funds for all other LEAs. Both groups must follow and report through the portal student interventions for 2 years and must locally track/carryover any unused funds.

Permissive Forms

Other permissive forms for the Consolidated Application process may be found on the Division webpage in the GaDOE website (optional EIS, school-wide and reduction of local effort forms) under **Budget and Grant Applications**. If the LEA uses the following permissive programs, the forms are to be copied and uploaded to the IDEA Flow-through budget page:

- Early Intervening Services form for optional usage of funds for high risk regular students;
- School-wide program form for including special education students;
- Reduction of local effort form by 50% of the allocation increase from previous year.
- The SPP/APR worksheet provides summary information on the implementation of the IDEA goals and indicators for the Division to progress monitor and for the system to use with their stakeholders to review and revise annually.

Other forms that may be used locally to assist in the planning process and for audit purposes are:

- Semi-annual certification for 100% federal employees and monthly split time logs needed to document personnel activities who work on multiple activities or cost objectives;
- Listing of goals/indicators and the annual targets to be used with your stakeholders;
- Annual documentation of private/home school consultation for proportionate share funds.
- Disposition of records form letter.
- Allowable/unallowable usage of funds for each project funded.

Summary Checklist

1. Familiarize yourself with the CLIP planning process and navigation.
2. Meet with your stakeholders and district team to review and update/revise your CLIP and SPP/APR form.
3. Incorporate SWD into the overall LEA Implementation Plan as much as possible. There may be some goals and indicators that are specifically special education, i.e., disproportionality.

4. Once the plan is approved, go to your budget and complete the required tabs and other uploads as needed by using the window or browser button:

- **Forms in Exceptional Student Tab in Program Information for IDEA Flow through**
 - Proportionate Share Form for SWD in private/home schools
 - Personnel Form for all special education personnel from the previous school year
 - EIS Worksheet for LEAs that are required and those selecting optional usage
- **Uploads/Attachments in Program Information**
 - EIS form for LEAs to determine the amount of optional EIS funds only
 - School-wide form to determine amount of IDEA funds to be used
 - Reduction of local effort form
 - SPP/APR goals and indicators form
- **Optional Local Usage as Needed**
 - Listing of goals and indicators
 - Certification for federal employees
 - Time log for split funded positions
 - Documentation of private/home school consultation process
 - Disposition of records sample letter

5. Complete all the data forms, the budget and then sign off for your superintendent to review and approve through the Consolidated Application portal. The superintendent will sign off on the Generic and IDEA Specific Assurances and your budgets for submission to the Division's Program Manager – Dr. Harry Repsher. The program manager will review your budgets for approval/revision (if the latter, it is e-mailed back for revision as noted). Financial Review in Grants Accounting does the final approval before you can access funds from GAORS-as long as your MOE is acceptable. Approval of each grant is shown on the portal status column if auditors want an "approval letter". The Audit tab will provide all sign-offs for a more detailed audit trail.

PART III – Budgets

To load each budget on the website, it is strongly suggested that you complete a draft budget on paper during the district budget planning process. You may access the budget forms from the Division website by clicking on Budget and Grant Applications and then FY 10 SOP Budgets.

Access the Consolidated Application portal with your password, find/click on your district and go to the program budget that you wish to complete– IDEA Flow-through, IDEA Stimulus, Federal Preschool, Stimulus Preschool, State Preschool, GRRS, Low Incidence, GLRS, or GNETS and click **Budgets**. Your initial grant allocation will be listed for this fiscal year in each budget. You have the option of doing a **district wide or school level budget**. Once you decide, find the function codes (1000, 2100, etc.) to begin typing your budget with the correct object codes (100, 113, etc.). Repeat for each function and object code until that budget has a "0" balance or is completed. The function and object codes may be automatically transferred over this year so that you enter the budget amount only.

Go to the next budget and repeat the process until all budgets are completed. Remember that the Flow-through grant requires you to access the Program Information tab for the completion of the data required under Exceptional Students. Click save for data collection and budgets, signoff and send it to the Superintendent for approval/revision of the budgets and signoff for the assurances. Once it is approved, the budget goes to the State Program Manager for review/revision and then to Grants Accounting for final approval. An e-mail is sent once it is approved by the state.

A separate budget must be provided for each of the funded grants. Go to the Portal or Special Education Division website to see your **Allocations** and locate FY 10 Special Education Allocation (after June State Board meeting) to find your amount for each of your budgets. **All available initial funds must be budgeted.** The EIS 15% maximum amount is based on your allocation minus any special programs such as Parent Mentor and/or Focus Monitoring funds. Use the EIS amount shown unless you choose EIS as an optional request (up to 15%). Budgets should be completed in conjunction with your district team and/or business office to ensure consistent categorization of budgets utilizing the approved Chart of Accounts. Please note that funds may not be used for legal expenses or construction of facilities. Personnel must be budgeted according to the job codes specified.

If your system uses indirect cost, only the approved restricted indirect cost rate may be charged. Use the 2300-880 function and object code for this item. Your initial allocation indirect cost maximum amount is shown in the Division's Portal website. Any carryover funds will appear after the initial grant is approved. If you use the indirect cost with the carryover amount, remember that you subtract out equipment expenses (730 and 734 items), other support services (2900-592) and special projects (Parent Mentor and Focus Monitoring) prior to dividing by your indirect cost rate (i.e., convert rate of 1.32% to 1.0132 or a rate of .92% to 1.0092). Divide your allocation amount (\$100,000) minus equipment and transfers, if appropriate, by the converted rate. Always round up to the next dollar figure no matter how small the cents amount (\$98,697.19699 becomes direct cost of \$98,698 if using a 1.32% indirect cost rate). Subtract this amount from the allocation to determine your indirect cost amount (\$100,000 – \$98,698= \$1,302) **or** multiply your previous \$98,697.19699 figure by your indirect cost rate of 1.32% and accept the whole dollar figure as the indirect cost amount (round down). In this example, indirect cost equals \$1302.803 or \$1302.

Period of Obligation

The grant period for the FY 2010 allocations are from July 1, 2009 to September 30, 2011 which includes the Tydings Amendment for an additional twelve months. **However, all funds must be obligated and items received prior to June 30th of each budget year with completion reports due by September 30th.** Once the latter is provided to the Grants Accounting Office, your carryover amount for the second year of the obligation period may be budgeted through the amendment process. The EIS funds and proportionate share amount (private/home school students with disabilities in your district) is valid for one year only and must be carried over if funds remain. Your allocation, carryover and any additional funding will appear in the **Budget tab** on the portal. Remember that for FY 2010 you can only carryover 100% of your remaining FY 2009 federal funds.

Approval Process

The GaDOE will review, process and approve the LEA Implementation Plan/Update. Once the LEA plan approval is received, individual program budgets and forms may be submitted to your superintendent who must sign off on the generic and special education assurances and the budgets. Once uploaded, the state program manager will review and approve the special education budgets through the online process and submit it to Grants Accounting for final approval. Once approved, notification will appear on the portal and the funds will appear in GAORS unless you have a Maintenance of Effort problem for your FY07/FY08 expenditures.

Amendments

All amendments must be completed on the Consolidated Application website by going to the portal site, selecting the appropriate program, and amending or editing the budget. **Amendments must be submitted when:** (a) there are unbudgeted funds due to carryover or an additional allocation/reallocation; or (b) there are changes between function codes (1000, 2100, 2210) that exceeds 25% of the current total. Sign off on your amendments for the superintendent to approve. The state program manager will review/approve it before going to Financial Review for final approval. Notice of approval will appear on the portal and the amount appears in GAORS.

Use of Funds

IDEA grant funds that flow-through to the LEAs may be used for staffing, educational materials/supplies, equipment and other excess cost items to provide special education and related services, as well as for supplementary aids and services, to students with disabilities. Funds **must** only be used for special education purposes unless otherwise specified by a permissive use of funds form.

The United States Department of Education issues the Education Department General Administrative Regulations (EDGAR) which states how the LEA may spend its IDEA funds as well as all other federal grant funds. The relevant sections of EDGAR in Title 34 Code of Federal Regulations (CFR) are parts 74 through 86 and 97 through 99. EDGAR is available online at <http://www.ed.gov/policy/fund/reg/edgarReg/edgar.html>. In addition, the federal Office of Management and Budgets (OMB) established government wide grant management policies and guidelines through circulars and common rules. These policies were adopted by grant making agencies and inserted into the federal regulation. Five OMB circulars are relevant when managing IDEA funds: A-21, A-87, A-110, A-122 and A-133. A-87 and A-133 are most frequently used. Copies of these OMB circulars are available online at <http://www.whitehouse.gov/omb/circulars>. (Do a Control + click to access these items).

Maintenance of Effort (MOE) is part of your overall approval process and LEAs will be contacted to correct their MOE if needed. GaDOE computes the MOE from end of the year expenditures reports. There is a two year difference in expenditures reports versus the current grant, thus, for the FY 2010 grant we compare 08 expenditures against 07.

Record Keeping – Employees and Record Retention

“(3) Where employees are expected to work solely on a single federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having firsthand knowledge of the work performed by the employee.

(4) Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports (PARs) or equivalent documentation which meets the standard. Such documentary support will be required where employees work on: (a) more than one federal award, (b) a federal award and a non-federal award, (c) an indirect cost activity and a direct cost activity, (d) two or more indirect activities which are allocated using different allocation bases, or (e) an unallowable activity and a direct or indirect cost activity.

(5) PARs or equivalent documentation must meet the following standards: (a) they must reflect an after the fact distribution of the actual work activity of each employee, (b) they must account for the total activity for which each employee is compensated, (c) they must be prepared at least monthly and must coincide with one or more pay periods, and (d) they must be signed by the

employee.” (Federal Register, Volume 70, #168, August 31, 2005) Examples of the forms are included in the Divisions webpage (see OMB Circular A-87 for full coverage).

See the following Georgia Secretary of State website for the retention schedule for education records www.sos.state.ga.us/archives/whoarewe. There are 92 education records cited.

Inventory/Labeling of Materials and Equipment Purchased with Federal Funds

A separate inventory list for federally purchased specialized materials (assistive technology devices, computers, etc.) and equipment is to be maintained and physical inventories taken every two years in accordance with EDGAR. A local board policy will list the amount of funds used for your system to designate an item as specialized materials or equipment to be inventoried (above \$500 or, more likely, above \$1000) even though federal requirements are for \$5000 per item.

If various employees check out inventoried items, a card file should be maintained to ensure the user’s name and designated location of each item. Usable material and equipment inventories are usually kept five years or longer (see OMB Circular A-87).

Property Management Requirement (CFR 80.32)

1. Maintain property records within a fixed asset inventory system that includes:
 - a) the description of the property;
 - b) the serial number;
 - c) the source of the property;
 - d) the name of the entity that holds title;
 - e) the acquisition date and cost;
 - f) the percentage of federal/state participation in the cost of the property;
 - g) the location and condition of the property; and
 - h) any disposition data including date and sale price of the property.
2. Take physical inventory of grant acquired property and reconcile results with property records.
3. Develop a control system to ensure adequate safeguards to prevent loss, damage, or theft of the property. Capital outlay items must be properly tagged in order to maintain control and inventory.
4. Develop maintenance procedures to keep property in good condition.
5. Establish procedures to sell grant-acquired property (when authorized or required) to ensure the highest possible return.

Disposal of Equipment Purchases with Federal Funds (34 CFR 80.32)

1. When equipment is no longer needed by the original federal program, an item may be used as a trade replacement. If not replacing the item, it should be made available for use in other federally funded programs. Keep documentation on file if another program declines an item. Transfer the item to them if they decide to use it.
2. If the item is no longer needed, in poor condition or non-repairable, an item with a current per unit fair market value (FMV) of less than \$5,000 may be sold, retained or otherwise disposed of with no further obligation to the system depending on their disposal policy and procedures.

a) If sale of the item is desired, you should determine the FMV of the item based on depreciated value. GaDOE uses the IRS depreciation formula where items are fully depreciated after 6 years.

b) You can then sell the item to regular education or other agencies for the price based on the FMV. Proceeds of the sale should be used for special education activities just as the original grant funds were used.