

**Contingency Fund Guidelines for Extraordinary
Special Education Program Expenses
2013-2014**

September 1, 2013

REGULATORY AUTHORITY:

The Secretary of Education under P.S. §25-2509.8 was given the authority to establish guidelines for the application, approval, distribution and expenditure of funds for extraordinary special education program expenses, also known as Special Education Contingency Funds. The fund's purpose is to provide additional state funding for the implementation of the Individualized Education Program (IEP) for a student with significant disabilities. A contingency fund application may be submitted by a school district or charter school to partially meet the extraordinary educational needs of an individual child with significant disabilities who requires a highly specialized program or related services in order to receive an appropriate education, in the least restrictive environment.

The 2013-2014 state special education appropriation makes \$9,262,473 of the total appropriation available for distribution as contingency funds for extraordinary expenses. The Department of Education considers the following to constitute extraordinary expenses:

Expenses that result from needs and circumstances of a student with significant disabilities, which are not ordinarily present in a typical special education service and program delivery system and which costs exceed the school district, or charter school funding.

In order for a maximum number of LEAs to participate, a school district or charter school may receive contingency funds in an amount not to exceed **\$150,000**. Funds will be disbursed in the April 2014 or May 2014 Unipay.

Applicants should **NOT** request contingency funds to augment typical special education services, or presuppose the availability of contingency funds in their special education operating budget. Contingency fund applications may include expenses for assistive technology for an **individual** child.

The following information outlines the process to be followed for application and distribution of Special Education Contingency Funds.

APPLICATION INFORMATION:

Applications will be accepted electronically starting on November 25, 2013 for the 2013- 2014 school year and will be accepted until January 17, 2014. **Faxes will not be accepted.** Applications received after January 17, 2014 **will not** be considered.

Applicants must use the 2013-2014 web-based application form.

The student's **current IEP must be submitted if required with an application.** The current IEP is defined as the IEP that is in place on the day the contingency fund request is submitted. IEPs are submitted electronically or by fax to Leader Services. ***No information is to be transmitted directly to the Bureau of Special Education.***

Contracted services through Intermediate Units, private schools, consortia programs or other contractors *no longer* must be itemized by individual service. The Bureau of Special Education will accept a tuition statement for individual student services. The statement must clearly indicate that the services contracted for are educational only.

Note: Paper application forms will NOT be accepted. Applications that do not include requested IEPs, applications with outdated IEPs, as well as, applications that do not include all the required information listed below, will be considered incomplete and will not be considered for funding.

Each application must include the following information:

- Student's Disability
- Student's Educational Placement (includes Learning Support, Emotional Support, Multiple Disabilities Support, etc.);
- Student's Individualized Education Plan (IEP) **If requested;**
- A specific explanation of the extraordinary circumstances;
- A brief narrative background of each eligible student;
- For students in **programs operated by the requesting LEA**, the LEA must **itemize** special education service and program costs for each student in the 2013-2014 year for whom an application is being submitted.

Following is an example/format of itemized costs.

Special Education Teacher Salary & Benefits:	\$97,475
(Prorated by teacher caseload of 7) =	\$13,925

Paraprofessional salary & Benefits (one-to-one assignment)	\$47,500
Occupational Therapy (60hrs. x \$75per hr.)	\$4,500
Physical Therapy (30 hrs. x \$100 per hr.)	\$3,000
Speech & Language Therapy (42 hrs. x \$80 per hr)	\$3,360
Vision Support	\$19,500
TOTAL (actual + prorated)	\$91,785
Minus – school district's 2012-2013 Average tuition rate	-\$7,500
Minus \$24,000 factor	-\$24,000
Total Eligible Costs	\$60,285

RESTRICTIONS ON FUNDING:

Expenses not eligible for reimbursement but included in itemized requests will not be considered. Please **do not include** the following:

- Funds requested to augment typical special education services, such as non-specific curriculum materials and non-specific technology purchases such as classroom computers.
- Costs attributable to services for which the school is already receiving state reimbursement. This includes students in Approved Private Schools (APS) or approved Out-of-State Placements. However, *if a school district is paying 100% of an educational cost to an APS, this cost is eligible* for contingency funds.
- Administrative costs such as principal's office costs, legal fees, secretarial support, rent, building costs, copying fees, etc.
- Prorated costs of regular education teacher time during mainstreaming or inclusion.
- Non specific building aides, playground aides, bus aides
- Non extraordinary nursing or counseling services
- English as a Second Language instruction
- Extended School Year
- **Residential costs of private school placements**
- Costs of compensatory education

REVIEW OF APPLICATIONS:

- **Applications with Total Eligible Costs of \$60,000 or more will be reviewed on the basis of the unique needs of each child with priority given to those students with the most significant needs and greatest financial impact on the LEA. Only reviewing applications above a pre-selected threshold will ensure the approved applications will receive a higher prorated amount. Therefore, not all eligible applications will receive funding.**
- *Prior to determining the final contingency fund figure; the LEAs aid ratio will be considered in determining greatest need. This will result in a higher percentage of funding for LEAs with greater financial need.*

Expenses will be approved based on the following criteria:

- Expenses incurred for students with low-incidence disabilities, whose needs require interventions that are substantially different from those provided to students without disabilities in that the interventions require highly specialized personnel, special training, assistive technology, and equipment. For example, interventions under this definition include, but are not limited to: Assistive technology services, Braille services, oral/sign language, interpreting services,

real-time captioning services, orientation and mobility services and consultation with experts in the student's disability program area.

- Expenses that result from the development of a broader range of services and programs for a student with disabilities that enable the school to deliver these services and programs as described in 22 PA Code §14.131(1).
- Specific staffing expenses that result from the establishment of a fully integrated or **inclusive service delivery** setting for a student or students with disabilities.

Upon review of a school district or charter school application, any ineligible cost that is included in the total cost will be subtracted. This net result is further reduced by **\$24,000** for school districts, the 2012-2013 school district average tuition rate for elementary and secondary education; and for charter schools, the 2012- 2013 selected expenditures per ADM for special education students pursuant to §1725-A of the public school code. PDE will fund requests received by January 17, 2014 up to the \$9,262,473 amount available. If the state total-calculated payment amount exceeds \$9,262,473 available the payments will be pro-rated down to the available amount, as described on page 4 of the guidelines.

NOTE: One electronic application is needed for each student for whom you are requesting contingency funds. Funds will be disbursed in the April 2014 or the May 2014 Unipay.

All contingency fund payments are subject to availability of funds and post audit. The Department of Education reserves the right to conduct a post audit at any time to substantiate the school's expenditures and the individual student claimed for contingency fund payments.

REFERENCES:

School Code: Section 2509.8

Curriculum Regulations:

Purdons: 24 P.S. §25-2509.8

School District Contingency Fund Worksheet 2013 - 2014

If the student attends an intermediate unit, private tuition program or approved private school funded at 100% by the LEA, tuition costs should be listed in the section entitled "Other". Costs included in the tuition should be explained in the narrative, but do not need to be itemized.

Special Education Teacher salary \$ _____
 Special Education Teacher benefits \$ _____
 Total salary & benefits \$ _____

Prorated cost per student \$ _____

Paraprofessional support salary \$ _____
 Paraprofessional support benefits \$ _____
 Total paraprofessional salary & benefits \$ _____
Prorated cost per student \$ _____

One-to-one paraprofessional assignment (PCA) \$ _____

Therapy and other services by hourly or daily rate : (hrs. x amount , show calculation)

Occupational therapy \$ _____
 Physical therapy \$ _____
 Speech & Language therapy \$ _____
 Orientation & Mobility training \$ _____
 Itinerant Hearing services \$ _____
 Itinerant Vision services \$ _____

Other
 (List/specific consultation & other support services)
 Such as Behavior support or *tuition costs*) \$ _____

TOTAL - Itemized costs for the student \$ _____

Minus - school district 2012 - 2013
 Average tuition rate \$ _____

Minus \$24,000 factor - \$24,000

Total Eligible Costs \$ _____

Charter School Contingency Fund Worksheet 2013-2014

If the student attends an intermediate unit, private tuition program or approved private school funded at 100% by the LEA, tuition costs should be listed in the section entitled "Other". Costs included in the tuition should be explained in the narrative, but do not need to be itemized.

Spec Ed Teacher salary \$ _____
Spec Ed teacher benefits \$ _____
Total salary & benefits \$ _____

Prorated cost per student \$ _____

Paraprofessional support salary \$ _____
Paraprofessional support benefits \$ _____
Total paraprofessional salary & benefits \$ _____
Prorated cost per student \$ _____
One-to-one paraprofessional assignment (PCA) \$ _____

Therapy and other services by hourly or daily rate : (hrs. x amount, show calculation)

Occupational therapy \$ _____
Physical therapy \$ _____
Speech & Language therapy \$ _____
Orientation & Mobility training \$ _____
Itinerant Hearing services \$ _____
Itinerant Vision services \$ _____

Other
(List/specific consultation & other support services)
Such as Behavior support \$ _____

TOTAL - Itemized costs for the student \$ _____

Minus 2012-2013 selected Expenditures per ADM For special education students \$ _____
Minus \$24,000 factor - \$24,000

Total Eligible Costs \$ _____

For questions regarding contingency funds, please contact:
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Frequently Asked Questions

1. May we use the same password as last year to access the Contingency Funds (Cfunds) website and submit application?

Yes, you may use the same password. If you do not remember it, click on the “Forgot password” link and enter your e-mail address. If it finds a match, it will e-mail your user name and password.

If a different person requests a password, the new e-mail address would not be on file. They must send an e-mail request to Leader Services with the name of the previous user. It will be verified and a new password & user ID issued.

2. How do we request a user ID and password for a first time user LEA?

Send an e-mail from your district’s e-mail system to cfunds@leaderservices.com and your user ID and password will be sent to you usually within 24 hours. If you do not receive a response within 48 hours, contact ronwells@pa.gov for assistance.

3. When prorating the special education teacher’s salary and benefits, should actual or district average figures be used?

The actual teacher’s salary and benefit costs should be used to determine, as accurately as possible, the costs of providing services to a specific student.

4. What figure is used to prorate the teacher’s salary and benefits?

The number of students on the special education teacher’s caseload on the day the application is submitted. *This total amount should be divided by the number of students on the teacher’s class list to determine the prorated itemized figure.*

5. May the cost of an instructional assistant assigned to the special education class, not to the individual child be included in the CF request?

If an instructional assistant is assigned to the class and included in the district’s special education plan, the prorated cost of salary and benefits may be calculated. Prorated calculations must clearly be shown on the CF application form.

6. If a one-to-one aide (personal care assistant) is included in an IEP, is the full cost allowable on the CF request?

Yes, if this need is clearly indicated on the IEP. **The IEP must indicate an individual is assigned full time to the student.** Noting on the IEP that a student needs one to one assistance is not sufficient by itself to support this claim.

7. If the district pays tuition to another provider, such as an intermediate unit, must the cost be itemized?

No, previously, it was a requirement, however, some private schools were unable to provide the detailed information requested. In order to achieve more standardization in the application process and fairness to the LEAs the bureau will accept individual tuition statements.

8. Can the costs of staff development, related to a specific student, be calculated for contingency funds?

Yes, if the staff development is specific to the student and documented on the IEP.

9. How is a contingency fund application approved and funded?

The Bureau of Special Education will establish a threshold figure below which applications **will not** be reviewed. Applications will be reviewed on the basis of need with priority given to those students with the most significant needs and greatest financial impact on the LEAs budget. The LEAs aid ratio will be applied to the approved applications. The range will ensure approved applications receive a specific prorated amount of funding. **However, in order to assure this minimum, not all eligible applications will be funded.**

10. Based on recent application history, how many applications will be funded under the “new” prorated method?

Based upon the activity of the 2012-2013 year, utilizing the \$60,000 threshold amount, we anticipate funding no more than 250 applications.

11. What items are most frequently disallowed when applications are reviewed?

Generalized administrative costs, legal costs, transportation costs, and costs that are not itemized (**if required**) by the LEA in the “other” section of the application. Curriculum materials and equipment purchased for the class and not for the individual student specifically for his/her IEP are not allowable.

12. What are some common errors that delay the processing of the CF requests?

Outdated IEPs and lack of clearly itemized costs (**if required**) are common mistakes. IEPs faxed to Leader Services without clear identification and cover pages. An IEP submitted for the wrong student or the wrong cover page with the IEP.

The inability to contact the person listed on the electronic application. Please make sure that the person listed as contact has an active e-mail account that is checked daily.

13. Can contingency funds be requested for non-traditional educational therapies such as music therapy or play therapy?

Each request is reviewed on an individual basis, **therefore if therapy is documented on the IEP and properly itemized it may be approved.** Establishing a need, listing the service and itemizing the service costs are keys to receiving approval. In general, the reviewers of the CF applications will defer to the expertise of the IEP team.

14. Is there any purpose in submitting contingency fund (CF) applications for students who, after deductions (\$24,000 factor + local tuition rate), do not meet the threshold of \$60,000?

No, since the bureau is funding on a “threshold” basis there is no reason to submit an application for less than \$60,000 in eligible funds.

15. What transportation costs are eligible?

Extraordinary transportation costs. In the past this has been for a wheelchair bus/van or transportation established in direct response to the severe health needs of the individual child, we have a specific pop up window in the application asking for more information, including how the transportation cost was calculated.