

# Tennessee IDEA High Cost State Plan 2023-24

## Federal Guidelines

34 CFR §300.704 allows the Tennessee Department of Education (TDOE) to reserve funds to assist local educational agencies (LEAs) in providing for educational services to high need children with disabilities. The regulation requires the state to establish a definition of a high need child with a disability that addresses the financial impact on the budget of an LEA and ensures that the cost of educating the child is greater than three times the average per-pupil expenditure as defined in Section 9101 of the Elementary and Secondary Education Act (ESEA).

Additional funds for high need students with disabilities are subject to the availability of federal funds as specified in Public Law 108-446 § 602(8) and 611(e)(3). These additional federal funds are distributed to school systems based on special education expenditures from the General Purpose School Funds only. These awarded additional funds received by the local education agency (LEA) must be budgeted and expended as General Purpose Funds in the 71200 and 72220 series for audit purposes and included in the review for maintenance of effort. Functionally Delayed and Intellectually Gifted are state disability categories and not federal; therefore, requests for reimbursement for these disabilities are not accepted.

## Purpose

The high cost funds are not used to establish, support, or administer the program and remain under the control of the state until disbursed to an LEA to support a specific high need child. IDEA High Cost funds are intended to assist LEAs in the provision of direct special education and related services to these high need children. IDEA High Cost funds are intended to provide additional funding to school systems and schools to ease the strain on their budgets for the provision of multiple or complex services necessary to support students with disabilities.

## Definition

A high need child with a disability receives special education and related services identified in an individualized education program (IEP) that exceed the typical needs of a child with a disability thus creating a financial impact on the LEA. Only costs identified in the child's IEP are considered in determining whether a child is a high need child.

## IDEA High Cost State Plan 2023-24

High cost reimbursement amounts have varied annually, based on funding availability, LEA flowthrough, discretionary carry-over, and other funding sources made available to LEAs. The Tennessee Department of Education conducted a survey and received input from Local Educational Agencies for the school year 2023-24 IDEA High Cost fund concerning the eligibility criteria categories. Based on the feedback, TDOE has restructured the priorities to align with the disbursement of high cost funds ranking the federal definition as priority one and utilizing any possible expiring funding for the other eligibility categories (also including use for priority one eligibility). For the school year 2023-24, the Tennessee Department of Education will be reimbursing Priority 1 at a percentage until funds are exhausted. If additional funds are available (expiring funding), we will reimburse Priority 1, Priority 2, and Priority 3. As funds are limited, TDOE does not anticipate funding any Priority 4 requests; therefore, TDOE may not open Priority 4 for submissions. The ePlan Data and Information application for IDEA High cost will open for Priority 1, Priority 2, and Priority 3 for FY2023-24.

## Eligible Priorities Defined

### PRIORITY 1: Extremely High Cost Students

Extremely high cost students placed and served by LEA require extensive and costly special education and related services that create a severe financial burden on the LEA. Additional funds will be used to assist in the provision of such a high cost program when the additional cost is greater than three (3) times the state's average per pupil expenditures. The percentage of reimbursement for the high cost for Priority 1 is determined based on

the available money in the required high cost discretionary pool and the total amount requested by all LEAs for this category. When applying for Priority 1, extremely high cost students, LEAs will be allowed a maximum of 0.3% of the December 1, 2022, census count for the total number of students served. LEAs with a December census count of less than 600 will be allowed to submit up to two (2) high cost students under Priority 1. The Dec. 1, 2022, census count for the LEA is pre-loaded to the page. The maximum number of allowable requests for the LEA is auto-calculated and pre-loaded in the submission portal (ePlan). If these numbers are incorrect, please contact [Brett.Printz@tn.gov](mailto:Brett.Printz@tn.gov) for assistance.

To qualify for a high cost reimbursement, the General Purpose expenditures must be three (3) times the state average per-pupil expenditure for FY 2023 for the 2022-23 school year [Section 611(e)(3)(C)]. The State average per-pupil expenditure information is also located on the TN State Report Card. The State average per-pupil expenditure amount will be determined after October 1st and included in the revised technical guide.

*Allowable expenditures for determining a high cost student and must be found in the IEP matching date range are:*

- One-on-one assistance.
- Specialized equipment specific to the student and required to provide free and appropriate public education (FAPE).
- Special transportation exceeding requirements of special education buses/vans.
- Cost of contractual services for an eligible student.
- Other

*Non-allowable expenditures for determining a high cost student are:*

- Pro-rated salaries for teachers or teaching assistants already providing special education services.
- Pro-rated salaries of related services personnel already providing services.
- Pro-rated salaries of special education bus drivers and attendants already providing services.
- Pro-rated time of director, supervisor, principal school psychologist, and/or counselor for administrative duties, meetings, etc.
- Specialized equipment/materials already provided by the LEA.
- Legal fees.
- Depreciation of equipment.

The formula for determining eligible high cost reimbursement for a Priority 1 child is the submitted total student's General Purpose direct expenditures minus the LEA's General Purpose per pupil expenditures. For students counted on the Dec. 1, 2022 census, the per-pupil Federal funds expenditure is also deducted from the total student's General Purpose direct expenditures. The student's total General Purpose direct expenditures must then be greater than three times the state per pupil average. These general purpose and federal per pupil specific LEA deductions are calculated by the department and pre-loaded into the submission portal (ePlan). For those high cost students not on the Dec. 1, 2022 census, the general purpose per pupil amount and federal per pupil are not deducted from the total General Purpose direct expenditures. Please contact [Brett.Printz@tn.gov](mailto:Brett.Printz@tn.gov) for assistance if needed for these high cost priority 1 students.

LEAs can request reimbursement for students in this priority by completing the appropriate grade span page (Pre-K or K-12) for each student. For each student, provide:

- Student ID
- Student Date of Birth
- School attended in 2022-23
- The Disability/ies documented on the student's IEP
- The IEP date(s) for the services provided and services page(s). Make sure to redact any personally identifiable information.

- Whether the Student was reported on the Dec. 1, 2022, census
- Justification for Extremely High Cost Services
- Documentation of total General Purpose expenditures incurred by the LEA (for up to five services)
  - o The Service types
  - o The Service frequency
  - o The Service time period
  - o The Service expenditure
- ePlan auto-calculates the total student expenditure for each student.

LEAs shall not submit more Priority 1 students than the maximum allowable for the LEA. If the LEA's maximum is two, the LEA may only submit at most two Priority 1 submissions.

Priority 2: Students Placed in an SDOE Special School

Tennessee Department of Education State Special Schools include Tennessee School for the Blind (TSB), Tennessee School for the Deaf (TSD), and West Tennessee School for the Deaf (WTSD). When students are placed through appropriate procedures in a Tennessee Department of Education Special School, the LEA of residence may be required to provide additional services to ensure that each student has an appropriate special education program. Since LEAs do not generate state or federal funds for these students, the amount expended by the LEA may be paid by high cost funds based on availability of funds. LEAs can request reimbursement for students in this priority by completing the appropriate grade span page (Pre-K or K-12) for students placed in state special schools.

For each student, provide the following:

- Student ID
- Student Date of Birth
- State Special School
- Prior LEA of Residence
- The Disability/ies documented on the student's IEP
- The IEP date(s) for the services provided and services page(s). Make sure to redact any personally identifiable information.
- Documentation of total General Purpose expenditures incurred by the LEA (for up to five services)
  - o The Service types
  - o The Service frequency
  - o The Service time period
  - o The Service expenditure

Priority 3: Students Placed by a State Agency (Out-of-System Resident)

This includes such state agencies as the Department of Human Services, the Department of Mental Health, the Department of Children's Services, and/or the Department of Health. This only applies to those students placed by a state agency for the first year of service in an LEA. After the first year, those students generate state and federal dollars as any other student with a disability in the LEA. Since LEAs do not generate state or federal funds for these students, the amount expended by the LEA may be paid by high cost funds based on availability of expiring funds.

When out-of-system students with disabilities are placed in a group or foster home in an LEA which is not the resident system, the LEA where the students are placed is to follow the required procedures and provide the appropriate educational services. After the first year, these students are reported on the census and may then become Priority 1 eligible. Any additional funds received are based on the additional cost of the program.

LEAs can request reimbursement for students in this priority by completing the appropriate grade span page (Pre-K or K-12) for students placed in state special schools.

For each student, provide the following:

- Student ID
- Student Date of Birth
- State Special School
- Prior LEA of Residence
- The Disability/ies documented on the student's IEP
- The IEP date(s) for the services provided and services page(s). Make sure to redact any personally identifiable information.
- Documentation of total General Purpose expenditures incurred by the LEA (for up to five services)
  - The Service types
  - The Service frequency
  - The Service time period
  - The Service expenditure

### High cost Submission and Disbursement Process

Beginning June 1st, the IDEA High Cost instrument will open in ePlan. LEAs will have thirty days to submit their high cost application with supporting documentation before it closes. The school year 2023-24 IDEA High Cost application can be accessed through the Tennessee Department of Education's online grants management platform, ePlan.tn.gov. When the instrument closes, the TDOE IDEA team will review all submitted documentation for approval. TDOE will determine award amounts and provide notification of award or denial to the Superintendent and IDEA Director for each submitting LEA. Notification of award disbursement will be made as soon as possible, but no later than January 31st of each fiscal year.