

Technical Guide

for

Special Education Cost Documentation

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Special Education Finance Unit
Department of Education

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Technical Guide for Special Education Cost Documentation

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Technical Guide for Special Education Cost Documentation

I. Staff Documentation Requirements for State Funding

VT Board of Education Rule 2366.2 defines what costs are allowable for State funding formula reimbursement as special education expenditures for **K-12 resident students**. A large portion of special education expenditures are staff costs. This includes instructional staff, related service staff and administrative staff. For allowable costs, the rules generally consider staff cost allowable “for the time they carry out special education responsibilities.” As many schools hire staff to do more than one function, or they end up performing multiple functions, it is necessary to document what portion of time meets the allowable cost rules as being “for time they carry out special education responsibilities.” Carrying out special education responsibilities does not include Educational Support System work; salaries and benefits of staff performing ESS work are only allowed on a limited basis using core staff time or under the Small Group Rule.

Sections I through IX outline a process for school districts to use in order to claim allowable special education costs as defined by the State Board Rule. It is necessary that school districts set up a system to ensure that a staff person’s salary and benefits are appropriately charged to the funding sources that match the various functions that he or she performs. This involves tracking the functions the staff are actually performing and charging their salary and benefits accordingly.

A. Staff Documentation Changes for School Year 2009-2010

As of July 1, 2009 the Commissioner has decided to allow most special education staff to submit their schedules as staff documentation for school year 2009-2010 instead of two one-week time studies. The work schedules will be allowed for staff whose work is based on a specific work schedule. The work schedules showing their assigned work for a school week will be submitted for specific points in the school year. The schedules will generally have less detail for non-instructional periods than time studies were required to have.

Staff members who do not have work assigned for specific time blocks or who only perform special education responsibilities on an as-needed basis will need to continue to provide ongoing staff documentation. This change is expected to reduce the time spent on the paperwork required for documentation for State funding purposes. Districts may choose to continue using

the two-week time study process for determining eligible salaries and benefits for professionals and paraprofessionals.

Also as of July 1, 2009, the State Board of Education has allowed the Core Staff flexibility to extend to co-teaching by a special educator with a regular educator using an approved co-teaching model designed for the provision of IEP services. Core staff time must be assigned to the special educator's co-teaching time for the co-teaching activity to be an eligible special education cost. The co-teaching provision only applies to special educators - it does not apply to paraprofessional staff.

B. Staff Required to Have Staff Documentation

Staff documentation is required for all staff whose salary and benefits are reported as eligible K-12 costs on the Special Education Expenditure Reports. Staff documentation must be prepared by these staff members. The documentation is used to calculate the amount of salary and benefits charged as eligible cost and must be retained to document the claim for reimbursement. Staff documentation must be maintained for the following types of staff providing K-12 special education services:

1. Special education teachers and program aides,
2. Individual aides to students,
3. Speech/language pathologists and speech aides,
4. Occupational Therapists and Certified Occupational Therapy Assistants,
5. Physical Therapists,
6. Other professionals performing special education duties with appropriate credentials including Adaptive Physical Education Teachers, Behavior Specialists, Psychologists and Home-School Coordinators,
7. Building-based special education administrators, and
8. Staff contracted through Success Beyond Six contracts or other contracts unless they either provide detailed invoices or have contracts for serving an individual student.

If the school district uses contracted staff (hired under separate service agreements) for K-12 special education functions, then staff documentation is required for the contracted staff **only** if their bills do not provide that information on an **on-going** basis. Detailed invoices are the

preferred form of documentation for contracted staff. A detailed invoice would include for each date of service:

- a brief description of the service
- the amount of time spent providing the service
- the student(s) being served and
- the cost

If the contracted staff person is working strictly with one student to perform IEP services and the contract clearly identifies the student, then the invoices would just need to show the actual dates of service performed under the contract and any other information needed to calculate the amount to be paid. See Section VIII for more detail.

C. Staff Documentation Requirements for School Year Services

The basic staff documentation requirements for school year services are:

- A core staff designation list for the school year;
- **For professionals who work according to an established schedule:** schedules for September, January and May that cover their required work time for one full week;
- **For paraprofessionals and aides who work according to an established schedule:** weekly schedules for each staff member effective in September, November, January, March and May that cover the entire paid time for one full week;
- **For staff who only periodically provide special education services or whose work or caseload varies significantly over the year** (such as building-based special education administrators, psychologists, behavior specialists and home-school coordinators): on-going time documentation; and
- **For all staff completing staff documentation:** a caseload list for the year showing all the students served and each student's type of plan (IEP, 504, EST or other) that requires the service being provided.

D. Staff Documentation for Extended Year Services

For summer or extended year services, documentation normally consists of a separate contract showing the specific duties and either the estimated amount of time or maximum amount of time that each person is authorized to work. Also, the employees should submit time sheets detailing the number of hours actually worked each day, with their signature. If the contract does not identify the specific students being served, it should be noted on the time sheet or as an

attachment. If the employee is hired to perform more than one type of duty, the time sheet should show the hours for each of the services being performed. The person responsible for supervising their work should approve the time sheet.

E. Special Education Administration Staff Employed at Supervisory Union Level

For special education administration staff hired at the supervisory union level, the job description is used as the basis for determining allocation of time allowed for State funding reimbursement. The job descriptions for the special education administration staff should be kept on file for each fiscal year with other staff documentation. **This does not eliminate the documentation requirements for Federal funding which are covered in Section X.**

F. Medicaid Claims Processing Not Considered Special Education Administration

The time that special education staff spends submitting Medicaid claims is not considered a special education responsibility. It is considered a Medicaid administration function and the reasonable costs of administering the Medicaid claims process can be charged to the Medicaid reinvestment funds granted to the supervisory union pursuant to 16 V.S.A. § 2959a (e).

II. Core Staff Rule

In FY-94, VT Board of Education Rule 2366.2.1 was amended to include the core staff provision. The change was to encourage schools to implement Act 230. One of the basic concepts under Act 230 was that school districts should not have to use the cumbersome special education process to provide services to students needing only a small amount of services. The argument was that it would be more cost effective to just serve them without going through the special education evaluation and IEP process. The flexibility was created through core staff to serve students requiring services on their IEPs, 504 plans or EST plans.

VBE Rule 2366.2.1 currently reads as follows:

- (a) The core staff level shall be established by the Commissioner for each school district. The full-time equivalent number of licensed special education teachers and special education program aides employed for providing mainstream special education services during school years 1990-1991 and 1991-1992, shall be utilized to determine each school district's core level staff.

(b) For the salaries and benefits of the core staff to qualify as allowable costs, the staff must be providing: special education services; supplementary aids and services pursuant to Section 504 of the Rehabilitation Act; direct services to students in need of classroom support as determined by the Educational Support Team; or consultation services to meet the needs of students eligible for special education services, Section 504 services or educational support services.

The Commissioner established the core staff levels for each school district based on the full-time equivalent (FTE) number of licensed special education professionals and special education program aides employed for providing mainstream special education services during school years 1990-1991 and 1991-1992. The rule does not allow for changing the allocations originally established. The only changes that the department has allowed are reassignment of staff within the supervisory union if the provision of specific special education services is moved from one entity to another or between supervisory unions when the supervisory union boundaries changed since FY-94.

A. Core Staff Allows Flexible Use of Special Education Staff

Prior to the Core Staff Rule change, the K-12 eligible cost rules only allowed the time special education staff spent performing special education duties to be charged to special education. Act 230 encouraged school districts to serve students outside of special education when possible and required districts to establish an Educational Support System. However, for students no longer eligible for special education, the school districts lost reimbursement on services provided. In order to not penalize school districts for following the direction set by Act 230, the Core Staff Rule was adopted to allow a limited number of special education staff to have flexibility in the students they served without decreasing the school district's special education reimbursement.

The flexibility is limited by the FTE established as well as the students that can be served and still have costs reimbursed as special education costs. **The core staff flexibility to serve non-special education students is limited to the following K-12 services:**

- 1) Services provided to students in accordance with their IEPs,
- 2) Services provided to students in accordance with their 504 Plans,
- 3) Services provided to students in accordance with their EST plans and
- 4) Co-teaching by a special educator with a regular educator using an approved co-teaching model for the provision of IEP services.

Core staff can serve the first three categories of students either individually or in groups. The school district is expected to keep copies of the students' plans. For EST plans, the minutes of the meeting where the services were decided is sufficient if a separate plan was not prepared. Core staff is also allowed to perform related administrative work including special education evaluations and a reasonable amount of EST meeting time. The guideline for EST meeting time is two hours per week – see Section V.F for more detail.

Special Educators who co-teach with a Regular Educator must have core staff time assigned to the blocks of time that are spent on co-teaching activities in order for those blocks to be considered eligible for special education formula funding. **The co-teaching flexibility applies only to special educators, not special education aides and paraprofessionals.** The co-teaching activity must be designed to provide instructional services required by special education students in their IEPs. It is understood by using co-teaching as the instructional model that the whole general education class will be receiving the specialized instruction designed for the special education student(s) in the class.

B. Limits to Staff That Can Be Designated As Core Staff

The State Board Rule 2366.2.1 concerning core staff relates to K-12 instructional staff which was meant to include special education teachers, speech/language pathologists and the aides that assist them in providing services. Core staff can not be assigned to instructional staff in special class self-contained or special class programs. Core staff is limited to instructional staff and can not be used for non-instructional staff such as Occupational Therapists, Physical Therapists, psychologists, behavioral specialists, or special education administrative or clerical staff. Core staff designation can not be applied to contractual staff except if the contract is with an individual and the FTE can be determined, such as a contract with an individual SLP for his/her professional services.

C. Limits to Core Staff Use

There are a number of ways that core staff **can not** be used:

1. *Core staff time **can not** be used to provide **preschool** special education services.*

The Core Staff Rule is one of the eligible cost rules for the special education funding formula which only covers kindergarten through 12th grade services. Therefore, core staff can only be used for serving kindergarten through 12th grade students. Core staff time assigned to special education staff providing preschool services will not make the

preschool costs formula eligible. The only services to preschool students considered an allowable cost is for transition for Essential Early Education (EEE) students who will be entering kindergarten. The time that special educators who provide kindergarten services spend in transition meetings and IEP meetings for students who will be entering kindergarten is an allowable K-12 cost even without core staff time being assigned.

2. Core staff time **can not** be used to provide special class instruction in a self-contained or separate day program (also known as alternative programs).

The Core Staff Rule is designed to cover mainstream special educators and does not extend to providing a student's basic education for their whole school day or a significant portion of that day. Therefore, core staff designation can not be assigned to staff providing instructional services in a self-contained or separate day program.

3. Core staff time **can not** be used to provide services to students who do not have one of the three types of plans covered by the rule - IEPs, 504 plans or EST plans. (The one exception is for co-teaching which is covered in 4 below.)

The flexibility allowed to core staff is limited to serving combinations of students requiring services based on their IEPs, 504 plans or EST plans. The 504 and EST categories were the groups of students considered as needing additional services when the Core Staff Rules were adopted. **It does not allow for serving students who have no plan.** It is allowable to designate time that special educators spend attending EST or 504 meetings as core staff time as long as it is a reasonable amount of time. (The audit guideline on page 29 established 2 hours per week as the limit for EST meeting time.)

4. Core staff time **can not** be used to perform general duties or teach a whole class, except when a special educator is co-teaching with a regular educator using an approved co-teaching model to provide IEP services.

Core staff time can not be used for providing instruction for general education classes, unless the entire class is being served by both the special educator and regular educator using an approved co-teaching model to provide IEP services required by one or more students in that class. Co-teaching applies only to the licensed special education staff, when two professional level staff are working together and the instruction being provided is a required IEP service for one or more students in the class. Co-teaching by a special educator during core staff time is **only** eligible when it is done by a Special Educator, with a regular educator, using an approved co-teaching model.

5. Core staff time **can not** be used to perform general duties.

Time designated as core staff time can not be used for performing general lunch, recess or other types of general duties.

D. Core Staff Designation Form

The core staff designation is a listing of the specific staff to whom the school district or supervisory union has assigned core staff time for the school year. Each school district or supervisory union to which core staff has been allocated, must document their assignment of core staff with a Core Staff Designation Form. This form lists the name of each staff person designated as core staff for some part of their time, the full-time equivalent of core staff time assigned to each staff member, and whether they are a professional or an aide (i.e., non-professional). The core staff FTEs assigned to individual staff members can not total more than the core staff allocation for that specific school district or supervisory union. The Core Staff Designation Form can be prepared at any time during the school year but must be on file with other documentation materials used as backup for the final Special Education Expenditure Report for that year. A sample completed form is on the following page.

Assignment of core staff FTEs is done by the person responsible for managing the special education budget. Although the assignment of core staff time can be done at any time during the year, it is probably best to have a general plan on the assignments at the beginning of the year and do the final calculation once the schedules have been prepared and reviewed.

The FTE designated is the maximum portion of the employee's time that can be considered core staff during the year. So if a professional staff member was performing 42% core staff work during the first schedule week, 39% core staff work during the second, and 45% during the third, then they need to be designated as a .45 core staff person for the year. Similarly, if an aide's core staff work time varies between the five schedules, the highest portion of core staff work time should be the amount reported.

Once the designation of core staff time has been completed, it should be recorded on the Core Staff Designation Form and signed by the person responsible for special education fiscal management.

Core Staff Designation			
For School Year 2009 – 2010			
For School District:		City School District	
The following is the list of staff members hired by this school district to whom core staff time has been assigned for this school year. The FTE indicates what portion of a full-time week schedule that they are assigned core staff time. A staff member listed as a 1.0 FTE means that the employee works full-time and up to 100% of their time can be assigned core staff time for the school year. For details on calculating core staff time and FTEs, please refer to the Technical Guide for Special Education Cost Documentation .			
Name	Position	FTE Designated as Core Staff	
		FTE for Prof.	FTE for Aides
Ashley Crawford	Special Educator	0.75	
Martha Franklin	Resource Room Teacher	0.5	
Jane Jones	Consulting Teacher	1.0	
Peter Parker	Special Educator	0.25	
Steve Rogers	Speech/Language Path.	0.5	
Nina Thurman	Special Educator	1.0	
Bill Barrett	Instructional Assistant		-
Anita Blake	Instructional Assistant		0.2
Jessica Drew	Instructional Assistant		-
Jen Grunwald	Instructional Assistant		0.5
Harold Hogan	Instructional Assistant		-
Wanda Maximov	Instructional Assistant		-
Nancy Nicholby	Instructional Assistant		0.3
Pepper Potts	Instructional Assistant		-
Katherine Pryde	Instructional Assistant		0.25
Tara Richards	Speech Assistant		0.25
Sue Storm	Instructional Assistant		0.5
Wade Wilson	Instructional Assistant		-
Total FTE's Designated as Core Staff (not to exceed Core Staff allocation established by the Department of Education)		4.00	2.00
I verify that the above is the official core staff designation used for the school year.			
Signed: <i>Betty Ross</i>		Date:	6/18/2010

III. Time Documentation for Special Education Staff

A. Documentation for Professional Staff with Regular Schedules

For Special Educators and related service professionals who are assigned and perform work based on an established schedule, the staff documentation requirement for school year 2009-2010 is a set of three schedules which reflect the work that the staff member is performing.

1. ***Required Documentation:*** The documentation required for each professional staff member is a weekly schedule at three points in time - one each in September, January and May. Each schedule must clearly indicate the date it is in effect with one for each of the three months of September, January and May.
2. ***Period Covered:*** Each of the three schedules must cover the professional's **required work time for one full week.**
3. ***Required Information:*** For each time block, the schedule must indicate the activity to which the staff member is assigned and normally performing. For instructional time blocks, the name of the subject being taught is sufficient. The activity on schedules may need to be fairly general as it relates to what normally occurs during that period. Also required is a list of the students being served, if applicable. See E of this section for more detail.
4. ***Signatures:*** The schedule must be signed by the professional, then reviewed and signed by the professional's supervisor, with an assurance that states: ***“I certify that this schedule is an accurate reflection of the work that was assigned and normally performed during this period.”***
5. ***Caseload List:*** A caseload list for the year must be attached to the schedules. See D of this section for more detail.

B. Documentation for Paraprofessionals and Aides with Regular Schedules

For non-professional staff performing special education responsibilities and who are assigned and perform work based on an established schedule, the staff documentation required for school year 2009-2010 a set of five schedules which reflect the work that the staff member is performing.

1. ***Required Documentation:*** The documentation required for each paraprofessional and aide is a weekly schedule at five points in time – one each in September, November,

January, March and May. Each schedule must clearly indicate the date it is in effect with one for each of the five months of September, November, January, March and May.

2. *Period Covered by Schedule:* Each of the five schedules must cover the **entire paid time** for one full week.
3. *Required Information:* For each time block, the schedule must indicate the activity to which the staff member is assigned and normally performs. It also needs to indicate which students are being served during each block, if applicable. See E of this section for more detail.
4. *Signatures:* The schedule must be signed by the staff member, then reviewed and signed by the staff member's supervisor and the principal, with assurances that state: ***"I certify that this schedule is an accurate reflection of the work that was assigned and normally performed during this period."***
5. *Caseload List:* A caseload list for the year must be attached to the schedules. See D of this section for more detail.

A sample weekly schedule is on the next page.

Employee – Schedule

For School Year 2009 – 2010

Name: Nancy Nicholby **For Week of:** 9/21/2009

Position: Special Educator

School District: City Elementary School **Core Staff FTE:** 0.37 **Gray = Core time**

Below indicate the assigned work that you perform during your work day. For professionals, the time covered by the schedule needs to include the required work hours under your contract. For paraprofessionals, the time covered needs to include the time for which you are paid. Use one block for each different activity and use as many blocks as needed to cover your work day. In each block, indicate the activity being performed - for instructional periods, indicate the subject being taught and the students being taught. For other activities, provide a brief description and indicate students if the activity relates to specific students. For more details on completing the form, you can refer to the [Technical Guide for Special Education Cost Documentation](#).

<i>Enter times for each block</i>	Monday	Tuesday	Wednesday	Thursday	Friday
Block 1 Starting at <u>8:15</u> Ending at <u>9:05</u>	<u>Reading</u> Paul P	<u>Math</u> Dennis D Martin M <i>Kathy K</i>	8:15-8:45 <u>Writing</u> Kara K 8:50-9:30 <u>Reading</u> Paul P	<u>Reading</u> Paul P.	<u>Math</u> Dennis D Martin M <i>Kathy K</i>
Block 2 Starting at <u>9:10</u> Ending at <u>9:55</u>	<u>Math</u> Steve S	<u>Math</u> Paul P	9:30-10:00 <u>Prep for Grade 1&2 Math Groups</u>	<u>Math</u> Steve S	<u>Math</u> Steve S
Block 3 Starting at <u>10:00</u> Ending at <u>10:45</u>	<u>Math - Gr 1 group</u> Kara K <i>Mandy M</i> <i>Patsy P</i>	<u>Math - Gr 1 group</u> Kara K <i>Mandy M</i> <i>Patsy P</i>	<u>Math - Gr 1 group</u> Kara K <i>Mandy M</i> <i>Patsy P</i>	<u>Math - Gr 1 group</u> Kara K <i>Mandy M</i> <i>Patsy P</i>	<u>Math - Gr 1 group</u> Kara K <i>Mandy M</i> <i>Patsy P</i>
Block 4 Starting at <u>10:50</u> Ending at <u>11:05</u>	<u>LUNCH</u>	<u>LUNCH</u>	<u>LUNCH</u>	<u>LUNCH</u>	<u>LUNCH</u>
Block 5 Starting at <u>11:10</u> Ending at <u>11:30</u>	<u>Recess Duty</u>	<u>Recess Duty</u>	11:05 to 11:30 <u>EST Meeting</u>	<u>Recess Duty</u>	<u>Recess Duty</u>
Block 6 Starting at <u>11:35</u> Ending at <u>12:15</u>	<u>Math - Gr 2 group</u> <i>Peter P</i> <i>Sam S</i>	<u>Math - Gr 2 group</u> <i>Peter P</i> <i>Sam S</i>	<u>Math - Gr 2 group</u> <i>Peter P</i> <i>Sam S</i>	<u>Math - Gr 2 group</u> <i>Peter P</i> <i>Sam S</i>	<u>Math - Gr 2 group</u> <i>Peter P</i> <i>Sam S</i>
Block 7 Starting at <u>12:20</u> Ending at <u>1:00</u>	<u>Reading</u> Andy A	<u>Prep time for Reading groups</u>	<u>Reading</u> Steve S	<u>Reading</u> Steve S	<u>Prep time for Reading classes</u>
Block 8 Starting at <u>1:05</u> Ending at <u>1:45</u>	<u>Math</u> Herman H <i>Fred F, Tom T</i> <i>Tim T</i>	<u>Math</u> Paul P	<u>Math</u> Herman H <i>Fred F, Tom T</i> <i>Tim T</i>	<u>Math</u> Paul P	- <u>Case Management</u>
Block 9 Starting at <u>1:50</u> Ending at <u>2:30</u>	<u>Reading</u> <i>Emily E</i> Connie C Andy A	<u>Reading</u> <i>Emily E</i> Connie C Andy A	<u>Co-Teaching Math with Mary Kay (17 students)</u> Paul P, Steve S	<u>Reading</u> <i>Emily E</i> Connie C	<u>Reading</u> <i>Emily E</i> Connie C Andy A

I certify that this schedule is an accurate reflection of the work assigned and normally performed during this period.

Employee's Signature:	<i>Nancy Nicholby</i>	Date:	<i>9/25/2009</i>
Supervisor's Signature:	<i>Betty Ross</i>	Date:	<i>10/2/2009</i>
For paraprofessional's schedules:		Date:	
Principal's Signature		Date:	

C. On-Going Staff Documentation

This documentation is used for staff members that perform special education responsibilities part of the time or whose schedules vary significantly from day to day or week to week. The staff members who most often fall into this category are staff providing services to students with behavioral issues as the students may or may not qualify for special education services. Also the specific services provided may vary significantly from day to day so that the schedule would probably not be representative of their school year work. Building-based special education administrators should use this form of staff documentation. On-going documentation is completed for the employees contracted work days.

1. Required Documentation: The on-going staff documentation is a listing of the actual work for each day of the school year that the employee works. The listing can be in the form of a record such as an appointment book that the staff member tracks the work they are performing or the staff member can use the Department's suggested form for on-going staff documentation. If an appointment book is used, then a summary sheet needs to be prepared showing for each day - the total hours worked and the number of hours spent on eligible K-12 special education and include the appropriate signatures.
2. Period Covered by Schedule: Each school day that the employee works during the school year.
3. Required Information: For each time block charged to special education, the record needs to show a brief notation of the work being performed during each school period or service block for each school day. As this is based on actual work performed, the activity stated for blocks other than those for instruction should be detailed. For example, a block relating to counseling for a specific student would indicate the specific student. Time spent on case management would indicate the specific student(s) as well as what the specific activity was such as parent contact, review of student progress, notices for re-evaluation, etc. For this purpose, the detail relating to non-special education is not important – it is up to the school district whether that is important to them for other reasons. If the on-going documentation is in the form of an appointment book, then a summary needs to be provided by week showing for each day total hours worked and the number of hours spent providing special education services.
4. Signatures: The time documentation needs to be signed by the staff member and their supervisor. If it is in the form of an appointment book, the staff member will need to sign

the summary form. If this form of documentation is used, copies of the pages of the appointment book need to be kept with the other staff documentation.

5. Caseload List: A caseload list for the year must be attached to the schedules.

On page 15, there is a sample completed Employee On-Going Time Documentation covering one week. On page 16, there is a sample of an employee's appointment book for one day. The sample Summary of On-Going Time Documentation is on page 17.

Employee On-Going Time Documentation

For School Year 2009 - 2010

Name: Warren Worthington **For Week of:** 9/21/09

Position: Psychologist

School District: City School District

The following shows the total number of hours worked each day and the hours spent performing K-12 special education work. Prepare this for each week that Special Education work is performed.

Day	Total Hours Worked	Hours Performing Special Ed. Work	K-12 Special Education Work Performed		
			Time Period	Service	Students Served
Monday	7	4.5	8:00-9:00	evaluation	Moe Miller
			10:00-10:30	counseling	Tom Tortuga
			11:00-1:00	evaluation	Billy Blaze
			1:00-2:00	group counseling	Andy Argyle, Sam Stamps, Carly Cotton, Theo Thimble
Tuesday	7.5	6	7:45-8:15	counseling	Carly Cotton
			9:00-9:30	counseling	Roger Ratchet
			10:00-2:00	scoring eval	Moe Miller
			2:00-3:00	scoring eval	Billy Blaze
Wednesday	7	2.75	8:00-10:15	IEP meeting	Dina Dart
			12:30-1:00	counseling	Sam Stamps
Thursday	7	2	7:45-8:15	counseling	Theo Thimble
			9:00-9:30	counseling	Paul Picasso
			10:00-10:30	counseling	Yolanda Yew
			2:00-2:30	counseling	Frieda Filch
Friday	7.5	5.25	7:30-9:00	evaluation	Ira Inkling
			9:00-10:30	IEP meeting	Zoe Zipper
			12:30-1:45	IEP meeting	Eddie Ezzard
			2:00-2:30	counseling	George Gershwin
			2:30-3:00	counseling	Harriet Hamilton
Total for Week	36	20.5	56.9%	= % of week spent on K-12 special education work	

The above information is an accurate reflection of the work that I performed during this period.

Employee's Signature	<i>Warren Worthington</i>	Date:	<i>9/25/09</i>
Supervisor's Signature	<i>Betty Ross</i>	Date:	<i>10/2/2009</i>

Neena Thurman-Domino, School Psychologist

Monday, September 21, 2009

7:00	
7:15	
7:30	
7:45	Prep for day, check email and voicemail
8:00	Counseling - Hank McCoy (504 Plan)
8:15	↓
8:30	
8:45	↓
9:00	Group Counseling - Bob Russo (IEP), Scar Turpin (Reg. Ed.),
9:15	Vi Lock (IEP), Bucky Barnes (IEP), Steve Rogers (Reg. Ed.)
9:30	Morning Break
9:45	Psychological Evaluation as Part of SpEd Eval - Jamie Braddock
10:00	↓
10:15	
10:30	↓
10:45	Score Evaluation Results - Jamie Braddock
11:00	↓
11:15	Counseling - Maris Morlak (IEP)
11:30	↓
11:45	
12:00	Group Counseling - Vera Vidal (IEP), Shirlee Bryant (EST),
12:15	Shevaun Haldane (EST)
12:30	↓
12:45	LUNCH BREAK
1:00	LUNCH BREAK
1:15	Meet w/ Pepper Potts (classroom teacher) re: Behavior Plan
1:30	for Tom Cassidy (IEP).
1:45	↓
2:00	IEP Meeting - Kimberly Schau
2:15	↓
2:30	
2:45	Counseling - Alison Blaire (504 Plan)
3:00	↓
3:15	
3:30	
3:45	
4:00	
4:15	
4:30	
4:45	
5:00	

Summary for On-Going Time Documentation

Name: Neena Thurman-Domino
Position: Psychologist
School District: City School District
For School Year: 2009 – 2010

Staff who document their time on an on-going basis using an appointment book or other record of work performed on a daily basis (but not using the DOE On-Going Staff Documentation form) need to use this form to summarize their time worked for each day. The summary is to be reviewed by the staff member's supervisor and then signed and filed with the business office along with copies of the appropriate pages of the appointment book or other record to serve as staff documentation for special education funding purposes.

For each work day, summarize the time worked from your appointment book or other record of your work. Show the number of hours spent providing K-12 Special Education, Preschool Special Education and Non-Special Education work. The "Total Hours" equals the hours worked excluding any lunch or other breaks.

DATE	K-12 Special Education Eligible Hours	PreSchool Special Education Hours	Non-Sped Hours	Total Hours
9/21/2009	4.3	0	2.2	6.5
9/22/2009	2	0	4.5	6.5
9/23/2009	5	0.5	1	6.5
9/24/2009	4.7	0	1.8	6.5
9/25/2009	2.8	0.25	3.45	6.5
Week 1 Totals	18.8	0.75	12.95	32.5
9/28/2009	3.5	0.5	2.5	6.5
9/29/2009	2	0	4.5	6.5
9/30/2009	3	0.5	3	6.5
10/1/2009	4.7	0	1.8	6.5
10/2/2009	2.8	0.25	3.45	6.5
Week 2 Totals	16	1.25	15.25	32.5
10/5/2009	3.5	0.5	2.5	6.5
10/6/2009	2	0	4.5	6.5
10/7/2009	5	0.5	1	6.5
10/8/2009	4.7	0	1.8	6.5
10/9/2009	6	0.25	.25	6.5
Week 3 Totals	21.2	1.25	10.05	32.5
10/12/2009	3.5	0.5	2.5	6.5
10/13/2009	2	0	4.5	6.5
10/14/2009	5	0.5	1	6.5
10/15/2009	4.7	0	1.8	6.5
10/16/2009	2.8	0.25	3.45	6.5
Week 4 Totals	18	1.25	13.25	32.5

I certify that this schedule is an accurate reflection of the work performed during this period.

Employee's Signature: *Neena Thurman-Domino* Date: *10/16/2009*

Supervisor's Signature: *Betty Ross* Date: *10/19/2009*

D. Caseload List Required for All Staff Completing Staff Documentation

Every staff member completing staff documentation must also fill out a caseload list for the year showing all the students served and each student's type of plan (IEP, 504, EST or other) that requires the service being provided.

Each staff member's caseload list must be maintained and should include all students that the staff member serves during the school year. The one exception is that for co-teaching assignments, the caseload list only needs to list the names receiving IEP services during the co-teaching blocks and not the names of all the students in the class. The information required is the student's name and ID number and an indication as to whether the services being provided to the student are based on the student's IEP, 504 plan, EST plan or for some other reason. If the service being performed is part of a special education evaluation, place a check in the "Other" column and add a notation indicating "special education evaluation." If no explanation is given for students with a check in the "Other" column, it will be assumed that they are a regular education student without an IEP, 504 plan or EST plan.

A sample completed caseload list is on the following page.

Employee - Caseload List				
For School Year 2009 – 2010				
Name:		Nancy Nicholby		
Position:		Special Educator		
School District:		City Elementary School		
List below all of the students that you served for the school year indicated above. For each student served, indicate whether the service being provided was based on a plan (IEP, 504 plan or EST plan) or for another reason. For other, please provide a brief explanation such as special education evaluation.				
<i>Note: You do not need to include the names of non-spced students served through co-teaching activities. You do need to include the total number of students in the class on the schedule for each co-teaching block.</i>				
Student's Name and ID Number	Services Being Provided Based On:			
	IEP	504 Plan	EST Plan	Other - Explain
Andy Ants XXXXXXXX	X			
Ben Buckle XXXXXXXX	X			
Connie Camp XXXXXXXX	X			
Dennis Dear XXXXXXXX	X			
Emily Erks XXXXXXXX				Title I eligible but no Title I time
<i>Fred Foliage</i> <i>XXXXXXXX</i>		X		
Gina Germaine XXXXXXXX				X - Regular Ed
Herman Hinge XXXXXXXX	X			
Ira Imp XXXXXXXX	X			
Jimmy Jones XXXXXXXX	X			
Kara Kute XXXXXXXX	X			
<i>Kathy Kute</i> <i>XXXXXXXX</i>			X	
<i>Mandy Mills</i> <i>XXXXXXXX</i>			X	
Martin Mills XXXXXXXX	X			
<i>Peter Panda</i> <i>XXXXXXXX</i>			X	
Paul Pelt XXXXXXXX	X			
<i>Patsy Pine</i> <i>XXXXXXXX</i>			X	
<i>Sam Smiles</i> <i>XXXXXXXX</i>		X		
Steve Smith XXXXXXXX	X			
<i>Tom Trip</i> <i>XXXXXXXX</i>		X		
Tim Trout XXXXXXXX				X - Regular Ed
(Please note for this example - Bold denotes students receiving IEP services; <i>Italic denotes students receiving services required by 504 or EST plans;</i> Regular font indicates students without a plan.)				

E. Information Required For Time Blocks

1. General Requirements for Information in Time Blocks

For each time block, the schedule must indicate the activity to which the staff member is assigned and indicate which students are being served, if applicable. If a staff member is providing instruction or assistance in a subject matter area, the activity can be listed using the name of the subject such as “math” or “reading.” If a staff member is doing something else, a brief description of the activity needs to be listed.

All of the students being served or to which the activity relates need to be indicated for each block. The students can be listed in each block using their names or just their initials if space does not allow for full names. Student names/initials are required for all blocks in which the staff person is providing instruction. The student names/initials listed should include all of the students being provided instruction. (The one exception is that for co-teaching with a regular educator only the students requiring the services being provided based on their IEPs need to be listed. See 2 below.) Names can be listed in other blocks if the work performed relates to a specific student or group of students.

The following shows a sample-completed block:

	Monday
Block 1 Starting at 7:45 Ending at 8:25	<u>Reading</u> <i>Andy Ants, Connie Camp,</i> <i>Martin Mills</i>

2. Requirements for Time Block Relating to Co-Teaching

For time that special educators spend co-teaching with regular educators using an approved co-teaching model which includes the provision of services to students in accordance with their IEP’s as well as to regular education students, the following information must be listed:

- “co-teaching” must be included in the description of the activity,
- the name of the regular educator with whom they are co-teaching,
- the subject or activity being taught or prepared for,
- the names of the students in the class being served in accordance with their IEPs and
- the total number of students in the class

The following shows a sample completed co-teaching block:

	Monday
Block 3 Starting at 9:15 Ending at 9:55	<u>Co-Teaching Math w/ Mrs. Mallow</u> Andy Ants, Connie Camp, Martin Mills (12 students)

3. Core Staff Time Assignment: For the schedule of every staff member that has been allocated Core Staff FTE, the core staff time must be assigned to specific blocks. The assignment can either be done by the staff person or it can be done when the schedules are reviewed. The schedules must have indicated the specific blocks of time that are designated core staff time which can not exceed the core staff FTE assigned for the year. This time should be indicated by highlighting, color coding or any other method that is clearly visible. It is the school district’s responsibility to designate the specific time blocks being considered core staff and this must be done prior to determining what part of the employee’s salary and benefits can be charged to special education for the school year.

The FTE designated as core staff is the maximum portion of the employee’s time that can be considered core staff during the year. No changes will be allowed to time designated as core staff after the final reporting of special education expenditures has occurred for that year.

F. Discussion of Activities

The activities need to be as specific as possible if it is anything other than teaching a subject. For instructional periods the activity can simply be listed as the subject being taught. If the activity is other than instruction, use a brief description that indicates the work that is normally performed and be as specific as possible. If a period is normally used for preparation, then you might use “preparation” as the activity. If the period is normally used for preparation for period 5 math class, then you would indicate “preparation for period 5 math class” as the activity.

If a paraprofessional is providing assistance to a student, the activity listed should be the subject or activity with which the paraprofessional is assisting the student. Therefore, if the paraprofessional is providing one-to-one assistance to a student for the full day, the schedule should show the academic area as well as stating one-to-one assistant such as “1:1 assistance – English – Steve Smith”

It is important that the activity be stated in a way that makes it clear to a person who picks up the schedule. One example is lunch. In general, it is assumed that “lunch” means the time that an employee is allowed to eat his/her lunch. So if the activity is lunchroom supervision, the description needs to be more specific such as “lunch duty.” If the activity is providing one-on-one assistance to student Steve Smith, then it should state “lunch, Steve Smith” in the case where it was required by an individual student’s IEP.

It is also important not to use language that is specific to a particular school. A school district may find it useful to develop a list of abbreviations for activities to use on their schedules. If abbreviations are used, the list along with what they stand for should be attached to the schedule. It is impossible for the auditors to know what abbreviations mean without the information being provided.

IV. Review of Schedules by Supervisors

The schedules prepared by special education staff members should be reviewed during the school year to make sure that all the necessary information is provided. It is important to do it soon after the schedule completion period as it is difficult for staff to remember specifics a year or more later when the auditors might be reviewing the information. The following lists a set of suggested steps for reviewing schedules.

A. Review for Missing Information Prior to Supervisor’s Approval

Prior to signing the schedule, the supervisor should check for the following items:

1. Time covered

For Professionals’ Schedules:

- ✓ Does the schedule cover five days each for September, January and May?
- ✓ Does the schedule cover the professional’s required work time for each day?

For Paraprofessionals’ and Aides’ Schedules:

- ✓ Does the schedule cover five days each for September, November, January, March and May?
- ✓ Does each day of the schedule cover the time for which the paraprofessional or aide was actually paid?

2. All time accounted for

- ✓ Do all blocks on the schedule list the beginning and end times?

3. Activities/subjects

- ✓ Do all blocks on the schedule list an activity (subjects for instructional periods)?

4. Students

- ✓ Do all instructional blocks on the schedule list the students being served?

5. Caseload list complete

- ✓ Does the caseload list all students served during the year, along with an indication of their IEP, 504 Plan, EST Plan, or another reason?

6. Preschool students

- ✓ Has the staff member indicated which, if any, of the students on his/her caseload are preschool students?

7. Core Staff Time

- ✓ Has the core staff time been assigned to specific blocks of time or is it being assigned later during the review process?

B. Adding Missing Information

When the schedule has been reviewed, it should be returned to the employee with a request to add the missing information. If the employee is unavailable to add the information, the employee's supervisor may add the missing information. The additions should be added in a way that it is clear that they were provided by a different person.

C. Helpful Hints

Some school districts or supervisory unions may request that staff take additional steps that help with the review of the schedules. Some of these include:

1. Having staff color code the students listed in the time blocks of the schedules based on whether the service is provided pursuant to an IEP, EST plan, 504 plan, EEE or regular education (no plan) allowing for easier review to determine blocks disallowed and core staff time;
2. Having case managers attach copies of current IEPs for the students that they case manage so that the specific IEP services can be easily verified;
3. Verify that all professionals are licensed special educators for the grades they work with or are appropriately qualified if an educator's license is not required for their position.

V. Calculating Allowable Portion of Staff Time Based on Documentation

The purpose of recording the work that each special education staff person does is to determine what portion of his/her salary and benefits can be reported as K-12 special education eligible cost. The staff time documentation needs to be reviewed and used to calculate the portion of each employee’s salary and benefits that are eligible K-12 costs on the final Special Education Expenditure Report for the year.

A. Calculating Time Worked by the Employee

To determine what portion of a person’s salary is allowable, the first step is to determine the amount of time worked for the period covered by the schedule. This should include the time from the beginning to the end of each day of the employee’s normal schedule excluding time between periods and time used for allowable employee breaks such as lunch breaks. This calculates the amount of actual time on task and all calculations for % allowed and core staff are based on the amount of work time.

For the sample schedule, the employee works from 8:15 to 2:30 (6 hours and 15 minutes) with a 15-minute lunch break and a total of 40 minutes attributed to breaks between periods. The time worked is calculated as 5 hours and 20 minutes or 320 minutes per day of “work” time. For the week shown on the sample schedule, the work time totaled 1,600 minutes. This is calculated for each of the weeks used for the schedule period as the base to determine what portion of the employee’s salary and benefits are allowable.

Time Worked Calculation (For Weekly Schedule on Page 12):

Day of Schedule	Time from Beginning to End of Work Day	Less Lunch & Break Time	Less Time Between Periods	Work Time for Day
Monday	6 hours, 15 minutes	15 minutes	40 minutes	320 minutes
Tuesday	6 hours, 15 minutes	15 minutes	40 minutes	320 minutes
Wednesday	6 hours, 15 minutes	15 minutes	30 minutes	310 minutes
Thursday	6 hours, 15 minutes	15 minutes	40 minutes	320 minutes
Friday	6 hours, 15 minutes	15 minutes	40 minutes	320 minutes
Total for Week				1590 minutes

For this employee, the core staff time and % allowed or disallowed are based on 1,590 minutes of work time for this week.

B. Reviewing Time to Determine What is Allowable Core Staff Time

The next step is to designate the specific blocks of time that will be considered core staff time or to confirm that core staff time has been appropriately designated if the staff member has done the designation. The flexibility that core staff allows is to provide students’ services required by their 504 or EST Plans in addition to providing IEP services, and to allow co-teaching by a special educator with a regular educator, using an approved co-teaching model.

The following is the criteria for blocks of time designated as Core Staff:

Students Being Served in Blocks Designated as Core Staff Time	Portion Considered Special Education Eligible
K-12 students -all receiving IEP services – either individually or in groups	100% allowable (regardless of whether core staff time assigned)
K-12 students - all receiving 504 services – either individually or in groups	100% allowable
K-12 students – all receiving EST services – either individually or in groups	100% allowable
Groups of K-12 students all receiving services based on a IEP, 504 or EST plan	100% allowable
Groups of K-12 students including students receiving IEP, 504 or EST services and other students without plans	% allowable is calculated based on # of students receiving IEP, 504, and EST services divided by total # in the group
K-12 students receiving services but not in accordance with IEP, 504 Plan or EST Plan – either individually or in groups	Disallowed
Co-teaching by a special educator with a regular educator, using an approved co-teaching model, to provide IEP services to student(s) in a K-12 class	100% allowable
<i>Note: the above does not apply to special class programs</i>	

In the sample schedule on page 12, the blocks designated as core staff time during the district review were as follows:

Periods Core Staff Assigned	Reason Core Staff Assigned
Block 3 – All Week	Core staff time to cover EST and 504 services as majority of students not receiving IEP services so does not qualify under the small group rule
Block 6 – All Week	Core staff time to cover EST and 504 services
Block 2 – Wednesday	Core staff to cover preparation time for instructional periods designated as core staff time
Block 5 – Wednesday	Core staff to cover EST meeting time as not a special education function
Block 8 – Monday & Wednesday	Core staff to cover EST and 504 services – will still be partially disallowed for regular education student
Block 9 – Wednesday	Core staff to cover co-teaching with regular educator to provide IEP services

Please note that Block 8 – Monday and Wednesday will not be 100% allowed because one of the students served is not receiving services based on an IEP, EST or 504 plan. So ¼ of these time blocks will be disallowed even though the block is covered by core staff time so that the services to the students served based on an EST or 504 plan will be allowed. If core staff was not assigned to these time blocks, these time blocks would be ¾ disallowed.

C. Calculating Core Staff FTE

The core staff FTE is calculated after the specific blocks that will be considered core staff have been designated. Although core staff time can be used to cover services required by IEPs, 504 plans and EST plans, it is usually used to cover non-IEP service blocks that would not be considered eligible for special education funding unless they were designated as core staff time. It also must be used for time spent co-teaching by a special educator with a regular educator using an approved co-teaching model for the provision of IEP services for the co-teaching time to be considered an eligible special education cost.

The blocks that represent core staff time must be designated on the schedule as core staff time and the FTE computed and shown at the top of the schedule. The calculation would need to be done for the complete schedule period. The calculation is shown below for the sample schedule:

Day of Schedule	Core Staff Time (in minutes)	Total Work Time (in minutes)
Monday	125 minutes	320 minutes
Tuesday	85minutes	320 minutes
Wednesday	220 minutes	310 minutes
Thursday	85 minutes	320 minutes
Friday	85 minutes	320 minutes
Total Week	600 minutes	1590 minutes

The core staff FTE assigned is computed as follows for a full-time employee:

$$\text{Core Staff FTE} = \frac{\text{\# of minutes performing core staff work}}{\text{Total \# work minutes in the period}} = \frac{600}{1590} = 0.38$$

The core staff FTE is calculated for each of the weeks that are documented. The highest of the group is shown on the Core Staff Designation for the year. So if the professional in this example was calculated as 0.38 for the September week, 0.29 for the January week and 0.35 for the May week, that person should be designated as a 0.38 core staff person for the year. Similarly, if an aide's core staff time varies from one month to another, then the schedule with the highest core staff FTE would be the one reported on the Core Staff Documentation Form.

The FTE calculation for part-time employees is the number of minutes of core staff time divided by the minutes worked by full-time staff during the period. If a staff person is hired and works under a 50% contract (i.e. 0.5 FTE) and he/she performs core staff responsibilities for that whole time, the position would be designated as a 0.5 FTE core staff.

D. Review of Core Staff Time to Determine Any Disallowed Time

Once the core staff blocks have been designated, it is necessary to check if portions of any time block are ineligible. In the sample schedule, Block 8 on Monday and Wednesday have core staff time assigned but that core staff does not cover the portion of cost that relates to student Tim T. who does not have a plan. Since that student is $\frac{1}{4}$ of the group that uses 80 minutes of service per week, then 20 minutes ($\frac{1}{4}$ of 80 minutes) is disallowed. This needs to be added to any time disallowed as non-core staff time.

E. Review of Non-Core Staff Time to Determine Allowable Time

For all of the time not designated as core staff, only the time required for providing IEP services, related administrative work and special education evaluations are considered as allowable cost under the State Board Rules. **The one exception is the Small Group Rule which allows for a block of time to be 100% allowable if**

- 1. the group being served is composed of eight or fewer students and**
- 2. the majority of the students are receiving IEP services during that time block.**

So for a group of eight, five or more of the group would have to be receiving IEP services; for a group of six, four or more would have to be receiving IEP services. As this rule is under the K-12 allowable cost section of the State Board rules, it applies only to serving K-12 students and does not extend to serving preschool students.

The following is the criteria for blocks not designated as core staff:

Students Being Served in Non-Core Time Blocks	Portion Considered Special Education Eligible
K-12 students – all receiving IEP services (individually or in groups)	100% allowable
Individual K-12 students receiving 504 or EST services or not on a plan	Disallowed
Groups of eight or fewer K-12 students with the majority (more than half) receiving IEP services	100% allowable
Groups of eight or fewer K-12 students with half or less of them receiving IEP services	% allowable is calculated based on # of students receiving IEP services divided by the total # in the group
Groups of nine or more K-12 students with some of the students receiving IEP services	% allowable is calculated based on # of students receiving IEP services divided by the total number in the group unless service is considered a regular education service
Co-teaching a class by a special educator with a regular educator, using an approved co-teaching model which includes the provision of services to students in accordance with their IEP's as well as to regular education students	Disallowed
<i>Note: the above does not apply to special class programs</i>	

On the sample schedule on page 12, the Tuesday/Friday Block 1 math group is allowable under the small group rule. Two students were receiving IEP services while one student was receiving services based on her EST Plan. Also on the sample, Block 9 on Monday/Tuesday/Friday is allowable under the small group rule. For these time blocks, there were three students receiving services – two receiving IEP services while the third was a regular education student.

On the sample schedule, a number of blocks are not allowed as they related to providing recess duties. These activities are not allowable special education costs and the portion of the staff member's salary and benefits relating to these services need to be charged to funds other than special education.

F. Audit Guidelines for Schedule Review

When the Department of Education audit staff review the schedules, they use some standard guidelines to question the use of staff time that seem outside of the normal range. This time will be shown as disallowed unless additional information is provided during the audit process. The following is a list of the guidelines used by the auditors:

1. ***Time allowed for employee lunch is generally limited to 30 minutes per day unless the master negotiated agreement sets different conditions for employees' lunch breaks.*** The general rule in the schools appears to be 30 minutes for lunch so if additional time is allowed to a specific employee, an explanation can be provided if an exception has been made by the school district. It is important that the schedules differentiate between the employee's lunch break and lunch duties so that the lunch break is not disallowed.
2. ***Time allowed for employee breaks is limited to two fifteen minute breaks for a full-time employee per day.*** This is a general rule and if the school district has made different arrangements with a specific employee, the specifics of that arrangement would need to be provided to the auditors.
3. ***Up to 15 minutes per day is allowed for Teacher Advisory (TA) or home room responsibilities.*** As in many schools, all professional staff members are assigned responsibilities for TA or home room. The department allows up to 15 minutes a day for this general education responsibility. However, if the school has a longer period than 15 minutes, the amount in excess of 15 minutes per day is disallowed as a regular education responsibility.
4. ***Preparation, planning and case management time should be reviewed by the employee's supervisor to determine whether the amount of time spent on preparation and planning is appropriate for that staff member, prior to signing the employee's schedule.*** As a guideline, auditors may verify that the amount of time spent on planning, preparation and case management is appropriate, by reviewing students' IEPs.
5. ***EST meeting time is allowed if it is part of the employee's core staff time and as long as it does not exceed 2 hours per week.*** The allowable cost rules limit the use of core staff time to time spent providing services required by students' IEPs, 504 plans or EST plans, and time spent co-teaching by a special educator with a regular educator using an approved co-teaching model for the provision of IEP services. It does not allow time for EST meetings. However, a reasonable amount of time for actual EST meeting is allowed and the guideline is 2 hours per week of EST meeting time that can be used if it is during core staff designated time.

G. Other Provisions for Determining Allowable Time

In addition to the above criteria, there have been a number of decisions made concerning allowable time and unallowable time which are listed below:

1. **Covering general duties such as recess duty, lunchroom duty, bus duty, etc.** is not an allowable special education cost. These are necessary for the whole student body and should be covered by general education funds. The one very-limited exception is for school districts that assign duties to all staff on a ***rotating basis for a small part of the year such as one day per month or two weeks for the school year in total.*** In this case, if all staff (professionals and aides) or all professional staff perform the duties and the duties do not fall disproportionately on special education staff, then that small amount of duty time is allowed if the actual duty rosters are provided. If a school assigns all recess and lunch duty to aides on a rotating basis, this would not be allowable as the vast majority of aides employed by most schools are special education aides so special education would be bearing the bulk of the recess and lunch duty.
2. **Coverage for lunch and recess for individual special education students** is considered an allowable special education cost only if the service is required by the student's IEP. The IEP would need to clearly state that the student is to receive services during those specific periods or is to receive individual aide services for the whole school day. If the service is not required by the student's IEP, it will not be considered an allowable cost.
3. **A special educator teaching a regular education class** is not considered an allowable special education cost. The Small Group Rule allows a special educator, for blocks of time not designated as core staff time, to work with a group of eight or less as long as the majority (more than ½) of students are receiving services required by their IEPs. However, the Small Group Rule does not extend to whole regular education classes. The exception to this rule is when a special educator is co-teaching with a regular educator using an approved co-teaching model for the provision of IEP services during core staff time.
4. **Team teaching with a special educator and a regular educator working with a whole class, using an approved co-teaching model to provide IEP services to one or more**

students in a regular education class is allowable only during core staff time. In a team teaching situation when a whole class is being taught, the time that the special educator spends providing services to the class is considered a special education allowable cost if an IEP service is being provided, as long as core staff time is allocated to the time that the special educator spends co-teaching with the regular educator. Only time spent by special educators co-teaching with regular educators using an approved co-teaching model is reimbursable under the special education funding formula. The co-teaching allowance in core time does not extend to aides and paraprofessionals.

5. Whether time special education staff spent attending meetings is allowable depends on the purpose of the meeting.

When the schedules are completed, it is important to include the purpose of regularly scheduled meetings. The following includes some specifics regarding what is considered allowable:

- Staff meeting time is allowable if all staff are required to attend.
- Meeting of special education staff for in-service training or to work on special education projects are considered allowable.
- IEP meetings and other meetings related to the special education process are allowable.

6. Providing services to parentally placed students in accordance with a services plan is not an allowable special education cost.

Under IDEA-B, supervisory unions are required to use the pool of funds designated as proportionate share funds to provide special services to students who have been determined eligible for special education and who are attending, at parental expense, an independent school located within the supervisory union boundaries or being home schooled within the supervisory union boundaries. After consultation with representatives of the independent schools and parents, the supervisory union develops a plan for using the IDEA-B proportionate share funds to provide special education and related services to this group of eligible students. Services may not be provided to all students if funds are not sufficient to do so. A services plan is written for each student who will be receiving services from the proportionate share funds. The proportionate share funds are the only funds that school districts are required to use for this purpose. If they choose to spend beyond the proportionate share amount of their IDEA-B grants, the expenditures for special education

and related services for parentally placed students are not formula eligible costs and must be reported as ineligible whether it is the cost of their own staff or for contracted services.

- 7. The allowable special education cost rules only apply to special education provided to the school district's kindergarten through 12th grade resident students or provided to Vermont State-placed students being educated by the school district for otherwise allowable special education costs not reimbursed under the State-placed student funding mechanism.** This means that the formula reimbursement does not apply to students placed by other states or that are Vermont students but not residents of the school district. For students placed by other states in Vermont, there should be an agreement under the interstate compact concerning payment for the student's educational costs and payment should come from the sending state. Also, formula reimbursement is not intended to cover the special education cost for non-resident students which would include children of staff members that you allow to attend the school where the parent teaches even through they are not resident students.

H. Calculation of Disallowed Time

The schedule needs to be reviewed to determine if any blocks are not allowable either totally or partially. This needs to be determined block by block and depends on the activity being performed, the students being served, the grade level of the students being served and the grouping of students being served (if it is not service to an individual student). For blocks with disallowed time, the minutes of disallowed time need to be calculated. The disallowed minutes need to be totaled for each day and totaled for each of the one-week schedule periods.

For the sample schedule on page 12, the minutes disallowed are shown on the chart below. The first column after the day of the week shows the time blocks totally disallowed, which includes this employee's recess duty. The time blocks partially disallowed are the Block 8- blocks for Monday and Wednesday. Although the two period 8 blocks are assigned core staff time, the core staff time does not make the services to the regular education student eligible. For these two blocks, $\frac{1}{4}$ of the students are regular education students and therefore $\frac{1}{4}$ of those time blocks are disallowed and the remaining $\frac{3}{4}$ is allowed.

Day of Schedule	Time Blocks Totally Disallowed	Time Blocks Partially Disallowed Showing Calculation	Total Minutes Disallowed
Monday	20 minutes	¼ of 40 minutes = 10 minutes	30 minutes
Tuesday	20 minutes	0	20 minutes
Wednesday	0 minutes	¼ of 40 minutes = 10 minutes	10 minutes
Thursday	20 minutes	0	20minutes
Friday	20 minutes	0	20minutes
Total Week	80 minutes	20 minutes	100 minutes

Once the number of minutes disallowed is calculated for the week, the percentage disallowed is calculated as the number of minutes disallowed divided by the total work time for the week:

$$\% \text{ Disallowed} = \frac{\text{Minutes Disallowed for Week}}{\text{Total Minutes Worked for Week}} \times 100\%$$

For the sample schedule on page 12, the % disallowed would be 100 minutes disallowed divided by the 1,590 minutes worked for a result of 6.3%. If the second week had a % disallowed of 5.2% and the third week had a % disallowed of 5.9%, then the average of 5.8% would be used as the % disallowed for the year.

I. Calculation of Allowable Salary and Benefits and Adjusting Transactions

The % allowed is calculated as the average from the schedule weeks. and is used to determine what portion of the special education staff person’s salary and benefits can be charged off to special education. The percentage allowed for calculation purposes would be 100%, less the percentage disallowed if it is easier to calculate the disallowed time.

For Professionals Using Schedules for Staff Documentation: use the average for the schedules for September, January and May.

For Paraprofessionals and Aides Using Schedules for Staff Documentation: use the average for the schedules for September, November, January, March and May.

For Staff Using On-Going Staff Documentation: use average of the special education percentage for the year.

It is usually necessary to adjust the amount charged as an eligible special education cost based on the calculation of what is allowable for the school year. The amount of an employees salary and benefits charged to special education codes in the accounting system may not match what is calculated as allowable cost using the staff documentation. The adjustments to reflect the actual % of special education cost by special education employee can be done in one of two ways:

1. Adjust the salaries and benefits in the accounting system to reflect the appropriate amount of special education salaries and benefits. If the employee whose sample schedule we have been using had 5.8% of her time disallowed, 94.2% would be used as the percentage allowed. If the employee's salary was \$42,200 for the school year and the benefits were \$17,040, then \$39,752.40 of salary and \$16,051.68 of benefits would be charged as eligible special education costs. The disallowed portion of the salary and benefits should be charged off to a funding source appropriate for the work being performed. If the staff person's salary and benefits were set up at the beginning of the year to be charged to special education at a percentage different from the amount calculated based on the schedule, then an adjustment needs to be made to adjust that once the schedule information has been compiled. So, if the employee with the sample schedule had been charged off to special education at 90% from the beginning of the year based on an estimate, once the schedule information was complete an adjustment would need to be made to charge an additional 4.2% of her salary and benefits to special education prior to completing the final Special Education Expenditure Report for the year. **Please note that any journal entries used to record the adjustments must have detailed backup showing the calculation for each employee.** This detail will be needed for special education audits.

2. If you choose not to adjust your accounting records for special education adjustments, you need to create a spreadsheet showing, by employee, the total salaries, the adjustment percentages, and the special education eligible salaries. *(See example on page 35)*

We recommend that if you choose to use the spreadsheet approach to use the spreadsheet already required for salary reconciliation for audit. This will save time and mean that you already have part of the work done should your district be chosen for audit. Please feel free to contact Lynne Carpenter for a template of this spreadsheet at 828-0561 or lynne.carpenter@state.vt.us.

SAMPLE SALARY AND BENEFIT RECONCILIATION

SUPERVISORY UNION OR SCHOOL DISTRICT

FY-2010

CALCULATION OF SALARY AND BENEFITS BASED UPON REVIEW OF SCHEDULES

1200-100 DIRECT INSTRUCTION

NAME	Assignment or Title	*Total Salary	SPED % Based on Review of Schedules	SPED Salary	Employer Share FICA	Total	Total	Unemp.	OTHER PLEASE EXPLAIN	Total	Benefits
				Charged to SEER based on Review of Schedules		Employer Paid Health Insurance	Employer Paid Dental			Employer Paid Benefits	charged to SEER based upon Rev. of Schedules
Teresa Smith	Integration Facilitator	20,000.00	0.50	10,000.00	765.00	12,000.00	650.00	24.00		13,439.00	6,719.50
Jan Jones	Resource Room Teacher	12,000.00	0.32	3,840.00	293.76	5,900.00	650.00	14.40		6,858.16	2,194.61
Joseph Jones	Resource Room Teacher	36,000.00	0.90	32,400.00	2,478.60	5,900.00	650.00	43.20		9,071.80	8,164.62
Andrea Apple	Consulting Teacher	35,000.00	0.80	28,000.00	2,142.00	12,500.00	650.00	42.00		15,334.00	12,267.20
Berry Fine	Para – Student #####	3,000.00	0.60	1,800.00	137.70	3,800.00	650.00	3.60		4,591.30	2,754.78
Penny Frame	Behavior Spec. Para	7,000.00	0.57	3,990.00	305.24	12,000.00	650.00	8.40		12,963.64	7,389.27
				80,030.00							39,489.98

*This is total salary for each person from all sources, regular education, special education, Title, etc.

FUNDING SOURCES OF TOTAL SALARIES

NAME	Assignment or Title	*Total Salary	IDEA B				PLEASE EXPLAIN	*Total Salary
			LOCAL	IDEA B	PRESCHOOL	TITLE		
Teresa Smith	Integration Facilitator	20,000.00	5,000.00	5,000.00	3,000.00	7,000.00	20,000.00	
Jan Jones	Resource Room Teacher	12,000.00	4,000.00			8,000.00	12,000.00	
Joseph Jones	Resource Room Teacher	36,000.00	36,000.00				36,000.00	
Andrea Apple	Consulting Teacher	35,000.00	35,000.00				35,000.00	
Berry Fine	Para – Student #####	3,000.00	3,000.00				3,000.00	
Penny Frame	Behavior Spec. Para	7,000.00	3,500.00		3,500.00		7,000.00	

NOTE: Please re-create this schedule for all other salaries charged to the SEER, i.e. 2100-2700. We realize that the total amount will not agree with these line items (because of benefits and supplies, etc.) but it will give us a listing of people and their salaries that were charged to the Special Education Expenditure Report.

VI. Retention of Staff Documentation Materials and IEPs for State Funding

The Department is recommending that the staff documentation materials generated for State funding be retained for three years after the end of the fiscal year to which they pertain. Also the IEPs for students who have moved to other school districts should be available for the auditors to review. If the IEP information is not maintained electronically, the copies of the IEPs that were in place while the student was in the supervisory union should be kept when the records are sent on to the new school district.

VII. Staff and Other Cost for Special Education Programs Operated by the School District

The eligible cost rule for tuition or per pupil costs for special education self-contained or special education programs is based on the portion of the allowable special education costs that relate to providing IEP services to special education students. The rule states “expenditures for instructional services shall be allowable if required by a student’s IEP” including “the portion of non-collaborative tuition of special education programs and excess costs charged by public schools which relate to allowable costs.” Special education programs are usually set up to serve the needs of a small number of students and, because of that, they may change from year to year or during a school year. For this reason, **it is important to track the costs and enrollment of the programs for each school year** to determine what program costs are actually allowable special education costs and what portion of the students are receiving special education (IEP) services.

The following describes the process that the school district or supervisory union operating the program needs to use to determine what portion of those program costs are allowable special education costs. This process should also be used to determine the actual costs that can be charged to other school districts for the students that they send to the special education program. Also, by February 1st of each year, the school board that plans to charge a special education tuition rate to other school districts needs to announce the rate for the program for the upcoming school year (16 V.S.A. § 826 (b)). The announced rate is the maximum that the school district is allowed to charge. The announced rate is based on estimated costs for the year and estimated student enrollment in the program. **There needs to be an actual tuition calculation at the end of the year to verify the actual per pupil cost of the program. Any overcharges for tuition need to be refunded to the sending school district.**

A. Determining Allowable Cost for a Special Education Program

The first step is to determine the amount of the special education program costs that are allowable special education costs under the allowable cost rules.

1. Salary and benefits for instructional staff are limited to licensed special educators and the program aides who assist them in providing specialized instruction. The cost of individual aides required by the individual students' IEPs is an allowable program cost. However, if not all students required individual aides, the aides should be charged to the specific students requiring that additional assistance and not be charged to the program unless the aides' services are shared by all students. The staff costs that would not be allowable special education costs are the costs for regular education staff or other instructional staff without special education licensure.
2. Contracted services that relate to the provision of special education instructional services for the program are allowable costs.
3. Special materials and equipment as required by the students' IEPs are an allowable part of the program cost.
4. Travel of staff that relates to providing the services under the program are allowable costs.
5. Cost of telephone service for a special education program is an allowable cost.
6. Related services that are offered as part of the program are allowable costs. In some special education programs, related services are an integral part of the program and as long as they qualify under the allowable cost rules, the costs of related services can be included in the overall program cost.

The cost of the program should be tracked as a cost center in the general accounting system and used in the calculation of the amount that can be reported as eligible cost. A similar code should be used to track the tuition revenue generated by the program.

The costs that **can not** be included as eligible cost are:

- building related cost,
- general administration cost and
- cost for general classroom equipment

These unallowable costs can not be reported as eligible special education costs and should be coded so that they are differentiated from the allowable costs for the program.

B. Determining Student Days for Special Education Programs

The enrollment in each special education program should be tracked for each year. This means maintaining a list of the students who participate in the program with the date they start in the program and the date they leave the program. If students are allowed to participate in the program on a part-time basis, the enrollment information should also track changes in each student’s status from part-time to full-time. From this enrollment, calculate the total number of student days in the program by counting the actual number of school days that each student was in the program, pro-rated for part-time if appropriate. Also calculate separately the number of student days for those students who are receiving their IEP services from the program.

C. Calculating the Allowable Percentage for the Special Education Program Cost

To determine what part of the allowable program costs can be reported as allowable special education cost, compute the portion of the program that relates to providing IEP services using the following calculation:

$$\% \text{ Allowed} = \frac{\text{Total \# of days for students receiving IEP services from program}}{\text{Total \# of days for all students receiving services from program}} \times 100\%$$

Use this percentage to determine the portion of the allowable program costs that can be included as eligible cost on the Special Education Expenditure Report. This allows as special education cost the portion of the allowable program costs that relate to providing IEP services. Be sure to keep all of the documentation on file.

D. Calculating Allowable Tuition Revenue for Special Education Programs

For tuition billed to other school districts, the school district operating the program can charge the actual per pupil cost of the program. However, **if any ineligible costs are included in the program cost, the bill needs to state what % of that tuition is eligible.** For example, if the eligible cost of the program was \$250,000 and there was another \$15,000 of ineligible building related costs, then 5.7% of the tuition for the special education program would be an ineligible cost and that % would appear at least on the final tuition invoice for the year. On the Special Education Expenditure Report, only the eligible portion of the tuition revenue for special education students will appear in the eligible column of the report. So if the tuition revenue from

other LEAs was \$20,000 for special education students, only the \$18,860 (94.3%) would be reported as eligible.

Tuition revenue for non-special education students would not be included on the report as the costs for non-special education students has been excluded in the costs reported in the top section of the report. Therefore, the revenue generated by non-special education students would also be excluded from the report.

VIII. Invoices Charged as Special Education Expenditures

The costs incurred other than payroll costs originate from invoices. It is important that the invoices contain the information necessary to clearly document the service being performed or the goods being provided. The information needed for documentation should be provided by the vendor and only the coding and approval should need to be added by the school district or supervisory union paying the invoice. If a vendor does not provide the required information, it is important that the school district or supervisory union work with the vendor to ensure that all of the appropriate information is provided. The school district may want to include their invoicing requirements in their contracts or as an attachment to their purchase orders.

A. Basic Invoice Requirements

All invoices must meet the requirements of a permanent record so anything prepared in pencil is not acceptable. Also the following information needs to be included.

1. Vendor information should clearly show on the invoice. This includes the complete name of the vendor and their contact information. If the invoice is printed on vendor's letterhead or billhead, it should include the vendor's name, mailing address and telephone number. If the invoice is printed on plain paper, the invoice should include all of the vendor's information at the top of the invoice and it should be signed by the vendor or a vendor representative.
2. Invoice date should be clearly indicated after the vendor information.
3. Itemization of services or goods by date of service or delivery date should be included in the body of the invoice. See detail below by type of invoice.
4. Student names if the services relate to specific students.
5. Unit cost needs to be shown for each type of service or goods.
6. Any added costs need to be clearly indicated along with rate if applicable. This may include delivery or miscellaneous fees.
7. Total amount being billed should be clearly indicated at the bottom of the invoice.

For any costs to be paid from federal funds, the payments need to be coded directly to those funds and the person who acts as grant manager for the federal program should sign off on the invoice. It is not acceptable to pay the cost from general funds and then transfer the expense using journal entries, as that does not create an audit trail. End of the year adjusting/correcting entries can be done with journal entries but detailed documentation needs to show the specific invoices that are affected by the change in funding source.

B. Requirements for Invoices from Contracted Service Providers

For invoices for services provided by non-school employees, the itemization for the services needs to contain the elements listed below. **This information needs to be included by the vendor on the invoice provided to the school district.**

1. Description of service provided needs to be indicated. It is important that the description used matches with a service listed on the student's IEP if it is an individual student's IEP service. Also it is important that evaluations are listed as evaluations and not shown as a generic term such as psychological services, as the back-up documentation for the school district is quite different.
2. Dates of service need to be listed on the invoice showing each day that the service was provided. The only exception is when the same service is delivered to the same student for all school days; then the beginning and ending date of the period can be shown instead of listing every school day in the period. However, it is not acceptable to use a month or quarter as the billing period if the student did not access services for the whole period. In that case, the period needs to reflect the actual beginning and ending date. For example, if a student is receiving tutoring daily but the services are ended on November 15th, then the quarterly invoice should state the specific ending date of services – i.e., “October 1, 2009 through November 13th, 2009” not “October 1, 2009 through December 31, 2009.”
3. Amount of service provided by date should show on the invoice if the cost is being computed based on the amount of time spent providing services. If the invoice is for services for which a flat rate is charged such as an evaluation, the specific amount of time would not need to be shown on the invoice.
4. Names of students being provided the service by date should be indicated on the invoice. The only clear indication that the service was provided to specific students is if the vendor provides that information. The vendor may set up a system with the school district to use a set

of codes to identify individual students but the codes must be kept on file. It is not acceptable for school to add students' names to the invoices as it does not provide a clear audit trail.

Please note that although the students' names need to be redacted (deleted) from the invoice submitted to the school board for payment, a copy of the original invoice with the students' names must be kept in a confidential file for audit purposes.

5. Billing rate and amount being billed should also show on the invoice. This allows the school district to check that the amount being billed is correctly calculated prior to paying the bill. If the service has a flat rate such as for an evaluation, the invoice will only have the billed amount.

C. Review of Invoices from Contracted Service Providers

All invoices need to be reviewed to ensure that all of the required information is contained on the invoice. The invoices for contracted service providers need to be reviewed to determine which, if any, of the costs listed are for special education services. The specific items on the invoice for special education services need to be reviewed to make sure that the specific students being served are listed and that the service is an IEP service or part of a special education evaluation. This means that someone with access to students' IEPs needs to review and approve the invoices.

The costs need to be reviewed to determine if they are appropriately calculated and the coding needs to be assigned depending on whether the costs are for services for preschool or K-12 students. Also prior to approving an invoice there should be verification that the services were actually performed. If any of the costs are budgeted under federal or other grants, then the costs need to be directly coded to the grant account. Any non-special education costs (including services to non-special education students or for services not required by students' IEPs or special education evaluation plans) need to be coded to non-special education sources of funds.

D. Requirements for Special Education Tuition and Excess Cost

Invoices for special education tuition and excess costs may be from other public school districts or from independent schools approved for the provision of special education services. Tuition is the per pupil charge for a self-contained or separate day special education program for K-12 students while excess cost is for special education services not included in the tuition paid for the student.

For tuition to special education programs, the invoice needs to show:

- ✓ the student's name and the name of the program,
- ✓ the period covered by the invoice and
- ✓ the rate for the period or daily rate times the number of days being billed

The tuition rate for special education programs offered by Vermont independent schools has to be approved by the Department of Education and can be verified with the Independent & Federal Programs Team. For special education programs offered by public schools, the tuition rate is announced by February 1st prior to the beginning of the school year. The rate should be verified at the end of the school year by the school district operating the program. School district programs include collaborative programs which operate under an agreement between supervisory unions and programs offered by a school district or supervisory union on their own.

For excess costs, the school district of residence (referred to as the sending school district) should have received notice at the beginning of the school year from the school district serving the student (referred to as the receiving school district) regarding the rates that would be charged for specific excess special education cost that they intend to charge for the student's special education services. The excess costs include charges for special education instructional services that have specific rates calculated at the beginning of the year based on the salary, benefits and related costs for providing the special education services and the combined caseload for those services. Excess costs may also be based on the actual cost incurred for providing the services. For example, the cost of an individual aide could be the salary and benefits of the specific person hired to perform that function for the student. The notice for each student needs to indicate the rate or explain how the excess cost will be calculated.

Each charge on bills for tuition and excess cost needs to clearly identify:

1. Student that the charge relates to
2. Period covered for the expense
3. Whether the cost is a special education tuition, special education excess cost or regular education tuition
4. For special education tuition, the name of the special education program and for public schools charging tuition, whether it is a collaborative program or not and if not, what % of the tuition relates to eligible costs for non-collaborative programs

5. For excess cost items, a description of the specific excess cost being billed such as special education instruction, speech/language services, individual aide, evaluation, etc.
6. The rate being charged or description of the costs being charged such as \$4,500 per year for special education instruction, \$19,450 for individual aide based on actual salary and benefits, etc.
7. The amount being billed for that service for that student.

All of the information should be on the invoice as submitted by the vendor and if the information is not clearly indicated, the school district should ask for a corrected invoice so that they have appropriate documentation of the payment.

E. Verification of Special Education Tuition and Excess Cost Invoices

Prior to paying any tuition for special education programs, verify that all the required information is on the invoice. Also check whether the bill relates to the current fiscal year. Prior fiscal year expenses need to be reported as expenditures for that prior fiscal year and not added into the current year expenses.

The following verification should be done on each individual charge:

1. The student is a resident student of the school district during the period being billed
2. The period covered is correct for that student
3. The services being billed are required by the student's IEP
4. The amount billed is reasonable and the tuition being charged does not exceed the announced tuition rate and the rates for excess cost are in line with the excess cost notice sent by the receiving school at the beginning of the school year
5. Any calculations are correctly computed
6. Verify that the expense has not already been paid. To do this, it may be helpful to track payments for tuitions and excess costs by individual students to make sure that two payments are not processed for the same student for the same period of time.

The next step is to code the expenses to K-12 special education cost or preschool special education depending on the grade level of the specific student. Special education tuition payments for K-12 students for non-collaborative programs offered by public schools need to be split between eligible and ineligible cost based on the % shown on the invoice as allowable cost. For example, if a special education student's IEP included attendance at a non-collaborative

program with a tuition rate of \$20,000 for the year with a % allowable of 94.3%, then \$1,140 of the \$20,000 tuition bill would need to be recorded as an ineligible cost and the rest as eligible.

Once the invoice has been approved for payment, a copy of the invoice with the student's names needs to be made before the names are redacted on the original. The copies are to be kept in a confidential file so that they are available for audit purposes.

F. Travel Reimbursement

For employee mileage reimbursement, the purpose of the mileage should be described. If all of the travel relates to the same function such as travel between buildings to provide services in different locations, then a general description can be used for the whole mileage claim. If the travel relates to different functions on different days, then the claim needs to state the description for each day.

If the travel is actually for transporting students, then the students being transported needs to be indicated for each date. Transportation must be listed on students' IEPs in order to be considered eligible for special education formula funding.

G. Requirements for Other Invoices

All other invoices need to have a clear description of what is being purchased whether it is supplies, equipment, training or mileage reimbursement to name just a few. For equipment or supplies, the invoice needs to show the delivery date. There should also be a purchase order that describes how the items being purchased relate to special education.

It is important that invoices clearly document what is being provided. Each invoice should show how it relates to special education or special education administration. It is acceptable to have purchase orders provide some of the explanation for training expenses or supplies. However, any cost that is eligible only because it is being provided to an individual student in accordance with his/her IEP must include of the name(s) of the specific student(s).

IX. Special Education Tuition and Excess Cost Revenue from Other School Districts

In addition to tracking expenditures that qualify as K-12 allowable special education cost or preschool special education costs, each school district needs to track the revenue from other school districts for special education costs – either tuition or excess cost revenue. Each school district needs to show all tuition and excess cost revenue in Part II of the Special Education Expenditure Reports that relates to costs included in Part I of the report.

The revenue that should be shown includes:

1. Excess cost revenue that relates to special education costs reported. If the school district accepts tuition students from other school districts, then the district can charge for special education services following the excess cost procedures. The revenue received for special education services needs to be reported as long as the special education costs have been included on the report.
2. Tuition for non-collaborative special education programs for special education students needs to be divided between what is eligible and what is ineligible. If the tuition was calculated as 94.3% allowable, then any amount received is split 94.3% as eligible and 5.7% as ineligible.

X. Staff Documentation Requirements for Federal Funds

The staff documentation requirements in Sections I – VI above relate to documentation required for staff whose salary and benefits are reported as K-12 eligible cost on the Special Education Expenditure Reports. There are additional requirements for staff charged to federal funds. The department requested that the federal government allow Vermont school districts to use the time studies as staff documentation for IDEA-B grants. The federal government denied the request stating that the time span was not a sufficient size sample on which to base the year. Therefore, school districts need to keep the same documentation for staff charged to IDEA-B funds as to other federal grant funds. **The documentation required for federal grants does not replace the schedules required to document staff costs for State formula funding.**

A. Federal Requirements

The following are the components of the federal requirements for staff documentation under OMB Circular A-87:

1. Single Federal Award or Cost Objective

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 first-hand knowledge of the work performed by the employee.

2. Multiple Activities or Cost Objective

Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection (5) unless a statistical sampling system (see subsection (6)) or other substitute system has been approved by the cognizant Federal agency.

3. Personnel Activity Reports

Personnel activity reports or equivalent documentation must meet the following standards:

- (a) They must reflect an after the fact distribution of the actual 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.

(e) Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to Federal awards but may be used for interim accounting purposes, provided that:

- (i) The governmental unit's system for establishing the estimates produces reasonable approximations of the activity actually performed;
- (ii) At least quarterly, comparisons of actual costs to budgeted distributions based on the monthly activity reports are made. Costs charged to Federal awards to reflect adjustments made as a result of the activity actually performed may be recorded annually if the quarterly comparisons show the differences between budgeted and actual costs are less than ten percent; and
- (iii) The budget estimates or other distribution percentages are revised at least quarterly, if necessary, to reflect changed circumstances.

B. Cost Objectives for Special Education

The type of documentation depends on whether the employee is working “for a single federal award or cost objective.” If all of an employee’s time is spent performing activities allowable under a single federal award, then all of his/her salary and benefits could be charged to one federal grant award and the staff documentation could be in the form of certification. However, the term “cost objective” needs to be understood to decide in many cases whether a staff member is working under a single cost objective. Our department web site provides this guidance:

As a rule of thumb, when an employee is working on a single cost objective, it is clear that either one of the funding sources could legitimately be used to pay for 100% of the activity.

When considering the cost objective definition for special education, we need to keep in mind that State funding has two very separate systems – one for special education for grades K-12 and a separate one for special education for preschool children ages 3 through 5. The federal funding for special education is under two grants – IDEA-B Basic is for eligible students ages 3-21 (with child find for ages birth to 21) and IDEA-B PreSchool is for eligible children ages 3 through 5. So if a staff member is funded through a combination of federal and state funds and the employee serves both preschool and K-12 students, it is not one cost objective and a certification can not be used for staff documentation.

The K-12 costs eligible **under the state funding formula** have been relaxed over time to allow flexibility to serve non-special education students through core staff time or under the Small Group Rule. The federal regulations allow some measure of flexibility – allowing one or more non-disabled children to benefit from special education and related services provided to a child with a disability in accordance with the child’s IEP. Although the federal government has provided no guidance by what this means, the department is interpreting that

to mean that services allowed as K-12 eligible cost under the Small Group Rule would also be eligible under IDEA-B. The department does not interpret this to include staff time allowed under the Core Staff Rule as that could involve serving all non-special education students or for serving a group in which the majority of students are not special education. We also have only interpreted this to apply to mainstream special education services - specifically specialized instruction and speech and language services offered by the school district's special education staff during the school year. So an employee with core staff time who has salary charged to IDEA-B is almost certainly working under multiple cost objectives and would need to document his/her time through Personnel Activity Reports.

The other issue is that while Core Staff and the Small Group Rule are allowed for school year services for K-12 students, they do not apply to extended school year (usually summer) services. The cost charged to special education for extended year services needs to be just the cost for special education students receiving IEP services. First the service needs to be considered a special education service which means it needs to be provided or supervised by a special educator or an appropriately credentialed related service provider. Also if services are provided in a group, then only the portion of special education services relating to students requiring the services based on their IEPs can be charged to special education. For this reason, it is recommended that all summer services be documented using Personnel Activity Reports.

Another issue is that there are funds within IDEA-B grants that are limited and therefore must be tracked separately as those funds have specific limits. This is the case with early intervening funds which are limited to 15% of the year's allocation and the services for parentally placed students that has a specific amount calculated. So if a staff member who is 100% charged to IDEA-B has any time spent providing early intervening services to non-special education students or provides services to parentally placed students in accordance with their services plans, he or she must do to Personnel Activity Reports.

The chart below shows service types that could be considered special education cost objectives. Some of the cost objectives are chargeable to both State and Federal funding while others can only be charged to State funding. So if an employee's work falls under a single cost objective in the following chart, their staff documentation for federal funding can

take the form of a certification. However, if the staff member is working under two cost objectives and is partially charged to federal funds, then their staff documentation needs to take the form of personnel activity reports. Of course, if the staff member’s salary and benefits are charged to two different federal programs such as IDEA-B and Title I, this is considered two cost objectives and the documentation must take the form of personnel activity reports.

Special Education Cost Objectives

Employee and Work Performed	Cost Objectives	Funding Sources
Special educator, assistant or related service provider performing special education services or special education evaluations for K-12 students during the school year with no core staff time	K-12 Special education	State Funding formula or IDEA-B Basic grant
Employee providing services in accordance with EST or 504 plan to non-special education K-12 students during the school year under core staff time (unless charged to regular education)	K-12 sped formula eligible (core time)	State Funding formula
Extended school year services provided by special educator, assistant, or related service provider for K-12 students per IEPs or if provided to a group, cost is prorated on a per pupil basis (no core staff or Small Group Rule) and only the portion relating to IEP services is considered special education	K-12 Special education	State Funding formula or IDEA-B Basic grant
Special education and related services to parentally placed students in accordance with services plans	Services to Parentally Placed students	Proportionate share portion of IDEA-B Grants
Early intervening services for non-special education student K to 21 (emphasis on K-3) as defined by 613 (f) of the IDEIA	Early Intervening Services	Early Intervening budget items in IDEA-B Grant
Special educator or assistant performing special education responsibilities for EEE students, or if provided to a group, cost is prorated on a per pupil basis and only the portion relating to IEP services is considered special education	EEE – PreSchool Special education	State EEE grant, IDEA-B Basic or PreSchool Grants
Special education staff performing Child Find for children birth to 3	ITP – Infant and Toddlers with disabilities	IDEA-B Basic Grant, State EEE grant, Education Spending

C. Certifications

As noted above, what constitutes a cost objective in special education has been complicated by the difference in what is allowable in the State funding system compared to the federal and the subdivisions within the IDEA-B grants. A certification can not be used any time that the staff person is paid from IDEA-B funds and another federal source such as Title 1. Also, a certification can not be used if the special education staff person is paid from federal funds and also doing work that is only allowed using core staff time. Also, even if a staff person is 100% charged to IDEA-B, he/she can not use a certification if he/she is providing early intervening services or providing services to parentally placed students.

If a special education staff member meets one of the four categories below for his/her school-year work, he/she can document time through certifications:

- (1) provide only special education services (no core staff time or early intervening services) and/or special education administration for students ages 3 - 21 and paid 100% from IDEA-B Basic grant funds with no proportionate share funds (However, there needs to be some kind of documentation to base the breakdown to costs between preschool and K-12 for the Special Education Expenditure Report.);
- (2) provide only special education services and/or special education administration for only special education students ages 3-5 and/or child find for ages 3-5 and paid 100% from a combination of IDEA-B Basic and PreSchool grant funds;
- (3) provide only K-12 special education services (no core staff time or early intervening services) and/or K-12 special education administration and paid at least partially from IDEA-B Basic grant funds and the rest as K-12 special education with no services to parentally placed students; or
- (4) provide only EEE services and/or preschool special education administration and paid at least partially from IDEA-B Basic or PreSchool grant funds and the rest from State EEE grant or Education spending funds.

If the employee is performing any non-special education work which includes any time that is only allowable as core staff time, then semi-annual certifications can not be used for the federal staff documentation. Also if the employee is performing K-12 and EEE services and paid from multiple funding sources, then the semi-annual certifications can not be used. Any employee who is providing special education and related services to students on IEPs as well

as parentally placed students in accordance with a services plan can not document their time through semi-annual certifications as their time performing special education and related services required by the students' services plans must be tracked.

The following page shows a sample completed time certification.

1. Period Covered - The federal requirement for certifications is to be done at least semi-annually. For staff employed year round, it is allowable to have semi-annual certifications and have two, each of which covers half of the year – July 1 through December 31st and January 1 through June 30th. However, for staff employed on school year contracts, it is recommended that the certifications be done on a semester basis. So for a special educator working the school year, a certification would be done for each semester at the end of the semester. For staff with school year contracts, the semi-annual certification is not appropriate for summer services because summer activities are different from school year services. For extended school year or summer services, the personnel activity report is preferred and that form can serve as a time sheet to verify time worked for payroll purposes as well as the staff documentation needed for the federal grant.
2. Description of the work performed that falls under the grant award needs to be shown on the certification. Please note that there is a written description of the work being performed on the sample. The wording used can be taken from the wording on the IDEA-B grant budget item that lists the individual staff person's salary. It should indicate the services that the person will be providing and whether the services are for preschool students, K-12 students or both ranges i.e. ages 3-21.
3. Employee signature is required on the certification. The supervisor's signature is also recommended.
4. Timing for Completion - The certification must be done soon after the period covered by the certification. It can not be done prior to the completion of the period as the employee can not certify what work they will be doing – only the work that they have actually done.

FEDERAL TIME CERTIFICATION FOR STAFF
PAID FROM SINGLE FEDERAL GRANT OR SINGLE COST OBJECTIVE

To: Federal Grant File – *IDEA-B Basic*
From: *Janis Jackson*
Date: *January 15, 2010*
Subject: Certification for Staff Charged to Grant

In accordance with OMB Circular A-87, Attachment B, Section 8 (h) 2, this is to certify that the employee listed below performed the following responsibilities (include an indication of students served by grade levels and type of plan if applicable):

Special Education services for K-12 students per IEPs, related case management and administration and special education K-12 evaluations

and his/her salary and benefits were charged to the federal grant as indicated below:

Employee: *Betty Brown*

Employee's Position or Title: *Special Educator*

Employed: *X* Full Time
 Part Time - Hours per week

Employer (School District or Supervisory Union): *City Elementary School*

Period Covered by Certification (Indicate Dates of School Semester for School Year Staff or Semi-Annual Period for Full Year Staff):

Beginning Date *August 28, 2009*
Ending Date *January 15, 2010*

Federal Grant Charged to: *IDEA-B Basic Flow Through*

Account #: *26-211-01-1200-100/200-08*

SIGNATURES

Employee's Signature: *Betty Brown* Date: *Jan. 28, 2010*

Supervisor's Signature: *Janis Jackson* Date: *Jan. 29, 2010*

Grant's Manager: *Michael Manager* Date: *02-01-2010*

D. Personnel Activity Reports

All staff charged to federal funds, who do not fit the criteria for documenting their time through certifications, must document their time using personnel activity reports. This after-the-fact documentation is required for any period that the staff person’s salary and benefits are charged to federal funds. This documentation is required for staff charged to multiple federal grants and is recommended for any staff providing extended school year services.

The personnel activity report “must reflect an after the fact distribution of the actual activity of each employee” and “must account for the total activity for which each employee is compensated.” The employee needs to record the total amount of time they worked as well as the amount of time that is spent performing activities that can be charged to federal grant funds. This can be incorporated into a time sheet showing the amount of time worked each day for each cost objective and totaling to the total hours worked.

For example, assume that Sally Smith is a Speech and Language Pathologist who works for a school district providing services to the preschool program on Tuesday and Thursday mornings which was charged to IDEA-B PreSchool grant funds. The rest of her time was spent providing K-12 services charged to special education funding formula except for one hour IEP meeting on Friday for a newly eligible preschool student. Her personnel activity report for the week would look like:

Employee Personnel Activity Report/Time Sheet					
Employee:	Sally Smith				
Position:	Speech/Language Pathologist				
School District:	City Elementary School				
Period Covered:	September 21-25, 2009				
The following shows the hours worked each day for each function. Minutes are shown as decimal equivalents – i.e., 0.5 hours equals 30 minutes; 0.25 – 15 min.					
Function:	Monday	Tuesday	Wednesday	Thursday	Friday
IDEA-B PreSchool Special Education		4.5 hours		4.5 hours	1.0 hours
K-12 Sped Formula Eligible	6.5 hours	2.0 hours	7.5 hours	2.0 hours	5.5 hours
Total Hours Worked	6.5 hours	6.5 hours	7.5 hours	6.5 hours	6.5 hours
Employee Signature:	<i>Sally Smith</i>				

E. Charging Costs to Federal Awards

The personnel activity reports need to be retained along with other documentation for the federal grant. The salary and benefit charges to the federal grants need to be recorded as the expenses are incurred. At the beginning of the school year, the salary and benefits of individual staff members may be set up to be charged to grants based on the work the staff member is expected to perform. However, adjustments to reconcile the actual time spent on the federal program must be done at least quarterly to bring the actual charges in line with the personnel activity reports. The journal entries used to adjust the salary and benefit charges to actual time worked need to have detailed backup showing how the calculation was done.

Please note it is not acceptable to use end of the year journal entries to transfer costs to federal grants as a general procedure. The costs need to be charged as they are incurred with end-of-year entries reserved for making final adjustments to keep expenditures within budgeted amounts or to recode expenses that were missed at the time of payment.

F. Retention of Staff Documentation and Accounting Records for Federal Grants

The record retention requirement for federal grant documentation is five years.