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TO: Superintendents and Special Education Contacts/Directors

FROM: Anita Eccard, Executive Director of Compliance, Data, and Finance  
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DATE: XXXXX XX, 2016

SUBJECT: Tier I High Need Student(s) Application Procedures

The Individuals with Disabilities Education Act (IDEA) of 2004 granted states the flexibility to set aside a percent of the funds reserved for state-level activities to establish a funding mechanism that would reimburse local educational agencies (LEA) for costs of high need students with disabilities.

The High Need Risk Pool is established in 34 C.F.R. § 611 (e) (3) of the IDEA 2004. The act allows the State to develop a State plan that establishes the following: a definition of a high need child with a disability, the criteria for participation by school districts in the program, a plan to ensure that placements supported by the funds are consistent with requirements in 34 C.F.R. § 300.114 – 300.118, the funding mechanism for the distribution of funds under this program and an annual distribution schedule in accordance with the appropriation of other funds in that fiscal year. The Oklahoma State Department of Education (OSDE), in collaboration with a group of stakeholders, has developed an application process to reimburse LEAs for the excessive costs of high need students. The OSDE has exercised the option to retain the maximum amount of administrative funds, \$2.5 million, for high need activities.

The application process enables LEAs to request assistance for providing direct special educational instructional costs for high need children with disabilities who meet the criteria established in IDEA 2004. High cost expenses are categorized as follows:

**Tier I** includes funding on a reimbursement basis for out-of-state (OOS) residential placements. For students with special needs whom the local individualized education program (IEP) team determines an OOS residential placement is needed and appropriate to provide a free and appropriate public education (FAPE), the local educational agency (LEA) may complete the application process to request Tier I reimbursement assistance.

The high need grant award program will begin accepting applications for **Tier I** funding in October of each fiscal year. The final date for acceptance of applications will be the fourth Friday in July of each fiscal year. All LEAs seeking reimbursement for **Tier I** expenses must

submit an annual application with required supporting documentation, according to the timelines stated above. Risk pool funds do not carry-over and must be expended or encumbered before June 30 of the program year awarded. Risk Pool funds cannot be used for expenses incurred for the high need student in prior years. All high need applications received in a timely manner will be reviewed to determine if the unique qualities of the high need student related to intensity of and diversity of services are in excess of the typical needs of a student with a disability. LEAs applying for Risk Pool funds will receive a formal written notification after careful review by the OSDE.

Awards will be made on a reimbursement basis, according to the Determination Matrix included in each application. Tier I funds will be awarded on a sliding scale to qualifying LEAs on a priority basis, demonstrated by documented need, until \$1.5 million (60% of the annual provision for Risk Pool funds) has been obligated for the ensuing school year. Once this amount has been obligated, no more funds for Tier I requests will be available during that fiscal year for OOS residential placements.

Before receiving Tier I funding, it is the responsibility of the LEA to enter into a formal contractual agreement with the OOS residential facility where the child will be placed. Upon the receipt of a copy of the completed agreement, The OSDE will make the appropriate percentage of funds available to the LEA on a reimbursement basis. The LEA will send quarterly copies of the student's progress reports provided by the OOS residential facility to the OSDE on a regular basis.

All LEAs receiving reimbursement funds for Tier I OOS residential placement must send written notification within five (5) working days after the IEP team decides to terminate an OOS placement. If terms of the OOS placement are violated by the LEA or the OOS residential facility, the OSDE will send written notification that the placement has been terminated. All notices that will change the placement of a student in an OOS placement must be provided in writing at least 30 days prior to dismissal of the student from the OOS residential facility, as stated in all OOS residential contracts. A copy of all written notices described above must be provided to the OSDE, the parent/guardian, and the OOS residential facility.

LEAs that are denied Tier I High Need reimbursement funds because of lack of available funds will be notified in writing and their request data will be added to a database in the order the applications were received. When Tier I funds become available, these LEAs will be notified in writing within 30 days of available funding on a "first come, first serve" basis. This will include notification of any OOS placement opening that may occur before the end of the school year due to cancellation. The LEA request data will actively remain in the database until the district no longer requires the reimbursement option for the high need student.