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TO: Superintendents and Special Education Contacts/Directors

FROM: Dr. Rene Axtell, Assistant State Superintendent, Special Education Services

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SUBJECT: Tier II 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 Needs 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. One million dollars(40% of the total annual provision for Risk Pool funds) will be available for Tier II funding requests only.

Tier II includes funding for all other high need students with excessive costs to the LEA. LEAs meeting these criteria may complete the application for Tier II reimbursement assistance. A “High Need Child” is defined as a child who has been identified as eligible for special education and related services and has a current IEP. The intensity, frequency and diversity of the special education needs of the child exceed the typical needs of a student with a disability.

The LEA must submit a properly completed application, provided by the Oklahoma State Department of Education (OSDE), within the annual time frame established by the OSDE. The LEA may only seek reimbursement for appropriately incurred costs that exceed three times the state average per pupil expenditure as calculated annually. The total cost of all high need students in the LEA must be at least ten percent (10%) of the LEA’s prior year’s IDEA Flow-

Through allocation. Appropriate costs are those associated with providing direct special education instructional and related services as identified within the student's IEP.

An LEA submitting a claim under this provision of IDEA shall be prepared to provide documentation to the OSDE that may include, but is not limited to, a copy of contracts for services, invoices and payment records, the student's IEP, payroll records, and invoices for all instructional supplies and equipment associated specifically with the special education program provided to the high need student.

Tier II applications must be submitted by the fourth Friday in July of each year. 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.