



High-Cost Fund for Special Education

Overview & History



Introduction



- Overview of Presentation
 - Introduction to High-Cost Funds
 - Benefits of High-Cost Fund
 - Historical Context of Special Education Funding
 - Types of High-Cost Funds

What are High-Cost Funds?



- Definition of High-Cost Fund
 - Fund established to provide additional financial support to Local Education Agencies (LEAs)
- Purpose
 - Safety net for LEAs
 - Defray costs associated with providing high-cost special education services

Why High-Cost Funds Matter



- The Need for Financial Support
 - Each year, a handful of cases, randomly affecting LEAs, become extraordinarily expensive,
 - Cases can jeopardize the LEAs' ability to maintain financial stability
- Ensuring Inclusivity and Equity
 - High-Cost Funds provide resources for diverse needs
 - Ensures equitable access to education for all students

Historical Context of Special Education Funding – Part 1



- In 1975, Congress passed the Education for All Handicapped Children Act
 - Reauthorized in 1990 as the Individuals with Disabilities Education Act (IDEA)
 - Requires States to provide all students with a disability with free, appropriate public education
- Part B of IDEA outlines the financial support and requirements of IDEA
 - Federal flow-through grants are administered by the U.S. Department of Education's Office of Special Education Programs



Historical Context of Special Education Funding

Part 2



- Original intent of IDEA
 - Federal government promised to fund 40 percent of States' Special Education costs
- Reality of funding provided
 - Promised level of 40 percent federal funding has never materialized
 - Actual federal funding averages between 13 and 18 percent
 - States left to fund majority of Special Education costs

How High-Cost Funds Are Funded: Federal



- IDEA Part B Federal Funds
 - States can reserve 10 percent of IDEA funds they reserves for State-level activities
 - States then use those funds to establish their High-Cost Fund
 - Funds allocated but not expended in that fiscal year flow through back to LEAs



How High-Cost Funds Are Funded: State



- State Allocations
 - States can create their own High-Cost Funds using State funds
 - 2006 study found at least 30 states fund High-Cost Funds with State funds
 - Amount of funds allocated is determined by each State



Comparison of Federal vs State Funding



IDEA Part B: Federal Funds

- Amount of funds available
 - Fixed amount of 10% of State set-aside
 - Would equal roughly \$600,000 for Idaho
 - Decision to reserve IDEA funds would be decided by SDE
- How funds are used
 - IDEA has specific definitions for defining high-cost students
 - Federal regulations on how funds are used

State Funds

- Amount of funds available
 - Amount of funds would be determined by legislation
 - Considering requesting \$1,000,000 for Idaho's High-Cost Fund
 - Funding would depend on State budget decisions
- How funds are used
 - State would decide on how to define high-cost students
 - No federal regulations on how funds are used

Survey



- Short survey to send out to LEAs
- Provide any feedback you think would be helpful
- Link to survey:
<https://survey.alchemer.com/s3/7469895/High-Cost-Fund-Survey>



Questions?



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