

Equitable Services Set-Aside – IDEA Entitlement Funding

What is meant by “Equitable Services Set-Aside”?

Under *IDEA 2004*, school districts are responsible for setting aside a portion of their *Individuals with Disabilities Education Act* (IDEA) Part B allocation to provide special education instruction and related services to students who are placed in private schools by their parents. These students are referred to as parentally placed private school children (PPPC).

IDEA contains the calculation that must be used by LEAs to determine the amount of IDEA Part B funding that must be expended on special education services to parentally-placed private school children.

This calculation is in reference *only* to students who are placed in private schools by their parents. This set-aside is not for students who are placed in private schools by the LEA or other public agency.

Equitable Services Set-Aside and the Local Education Agency (LEA)

In section §34 CFR 300.133(b) and (c) of the *IDEA* regulations, LEAs are responsible for calculating and expending a proportionate share of their flow-through and preschool allocations on parentally-placed private school children who are eligible for special education services.

The responsibility for implementing the requirements for parentally placed private school students with disabilities falls upon the LEA where the student’s private school is located.

EXAMPLE:

Student A resides in the Sparta School District.

Student A attends a private school located in the Tomah School District.

Which district is responsible for this parentally placed private school student?

It is the responsibility of the **Tomah School District** to count Student A in their calculation regarding the amount that must be set-aside and expended on parentally placed private school children with service plans.

Equitable Services Set-Aside Calculation – Flow-through

The calculation for equitable services is completed by the LEA. It is done for both the flow-through and preschool portions of IDEA. Below is part 1 of the calculation for the equitable services set-aside for flow-through to determine an average allocation per eligible child:

$$\begin{array}{|c|} \hline \text{LEA's} \\ \text{Flow-through Allocation} \\ \hline \end{array} \div \begin{array}{|c|} \hline \text{Total Number of Eligible} \\ \text{Children ages 3 to 21} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Average Allocation per} \\ \text{Eligible Child} \\ \hline \end{array}$$

This is the total number of children attending *both* public and private schools located in the LEA who were **ELIGIBLE** for special education (even if they do not receive any services) in the preceding school year. LEAs should use an October 1 count date. This number is not collected by DPI.

Once the average allocation per eligible child is established, the LEA's equitable service set-aside for flow-through can be determined. Below is Part 2 of the calculation:

Average Allocation per Eligible Child	X	# of parentally placed private school children ages 4-21* eligible for special education attending private schools	=	Flow-through amount to be expended for parentally placed private school children with disabilities
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Equitable Services Set-Aside Calculation – Preschool

The difference between the preschool equitable services set-aside calculation and the one completed for flow-through is that only eligible children ages 4 to 5 are counted.

LEA's Preschool Allocation	÷	Total Number of Eligible Children ages 3 and 5	=	Average Allocation per Eligible Child
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Once the average allocation per eligible child is established, the LEA's equitable service set-aside for preschool can be determined.

Average Allocation per Eligible Child	X	# of parentally placed private school children ages 4-5* eligible for special education attending private schools	=	Preschool amount to be expended for parentally placed private school children with disabilities
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* The calculation switches from “ages 3 to ...” for a district-wide count of eligible children to “ages 4 to ...” to determine the equitable services set-aside amount. Wisconsin statute does not include an elementary grade for three-year-olds.

Children ages 3 to 5 are included in both the flow-through (611) calculation and again in the preschool (619) calculation. This means that parentally placed private school children ages 4 and 5 generate equitable services set-aside funds from both the flow-through and the preschool grants.

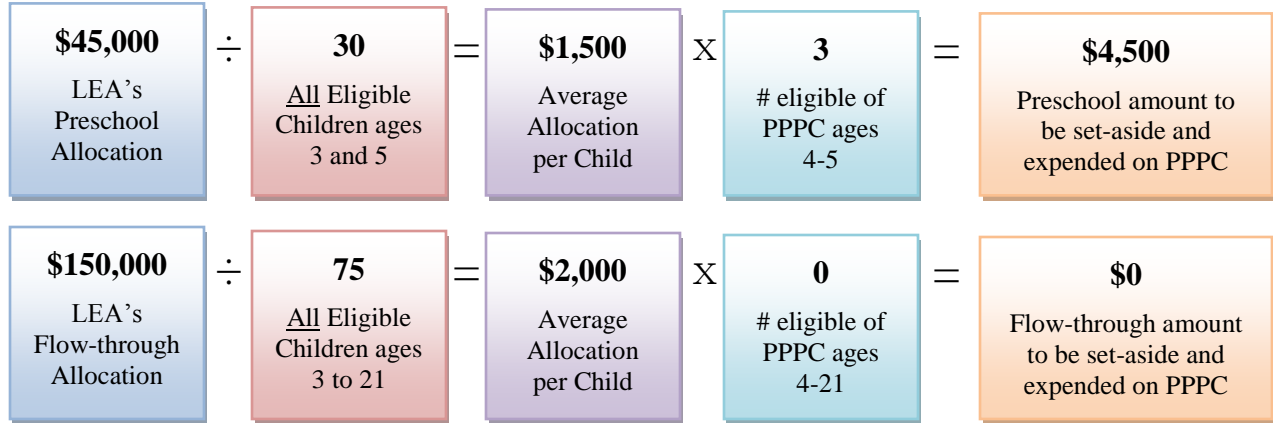
Equitable Services Set-Aside Calculation – Flow-through and Preschool Examples

\$500,000 LEA's Flow-through Allocation	÷	200 All Eligible Children ages 3 to 21	=	\$2,500 Average Allocation per Child	X	20 # of eligible PPC ages 4-21	=	\$50,000 Flow-through amount to be set-aside and expended on PPC
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180 eligible public school children

20 eligible private school children

Equitable Services Set-Aside Calculation – Flow-through and Preschool Examples (continued)



Equitable Service Expenditures and Fiscal Timeline

IDEA funds for equitable services must be based on consultation decisions and *may not* be paid directly to a private school. The LEA must control and administer the funds.

Expenditures for special education and related services, including transportation, may be considered when determining whether the school district has expended the amount that must be set-aside as determined by the equitable service calculation. Other activities, beyond direct services, may also be considered and determined through consultation with the private schools.

These activities include:

- Training to private school personnel on special education related topics
- Establishing a resource / assistive technology library (managed by the LEA but accessible to the private schools)

The following costs cannot be used when determining whether or not the requirements of equitable service set-aside has been met:

- Child find activities
- Evaluations
- Administrative costs, such as clerical support or special education director salaries

In addition, IDEA funds may not be used for repairs, minor remodeling, or construction of private school facilities.

If an LEA does not expend the funds set-aside in a fiscal year for equitable services to parentally placed private school children with disabilities, the LEA must obligate the remaining funds for special education for this group of children during the carry over period of one additional year.

Fiscal Year 2009

FY 2009 PPC Set-Aside \$50,000	FY 2009 PPC Expenditures \$40,000	FY 2009 PPC Remaining \$10,000
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Fiscal Year 2010

FY 2010 PPC Set-Aside \$50,000	FY 2010 PPC Remaining \$10,000	Total Set-Aside for FY 2010 \$60,000
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Equitable Services Set-Aside and Significant Disproportionality

IDEA 2004 requires LEAs that have been identified as having significant disproportionality to reserve and expend 15% of flow-through and preschool funds for coordinated early intervening services. LEAs in Wisconsin that have been identified as having significant disproportionality are formally notified by the DPI and carry out activities to address the issue. For additional information on disproportionality, please visit <http://dpi.wi.gov/sped/spp-disp.html>.

When determining the amount that must be set-aside and expended on parentally placed private school children, the LEA, even if identified as having significant disproportionality, must use the total LEA flow-through or preschool allocation in the equitable service calculation. The amount set-aside for coordinated early intervening services may not be deducted from the allocation total prior to running the equitable service calculation.

Equitable Services Set-Aside and the IDEA Recovery Funds

In fiscal year 2009-10, LEAs received additional IDEA funds through the *American Recovery & Reinvestment Act*. These funds are in addition to the IDEA entitlement funds normally awarded to LEAs for fiscal year 2009-10. When determining the amount that must be set-aside and expended on parentally placed private school children in fiscal year 2009-10, LEAs must base the calculation on the combined amounts of both IDEA Recovery funds and the IDEA entitlement to determine the average allocation per child. This set-aside must be obligated by June 30, 2011.

Additional Resources

Information Update Bulletin 06.03 at <http://dpi.wi.gov/sped/bul06-03.html#q20>

Equitable Services Calculator http://dpi.wi.gov/sped/xls/PPPC_Calculator.xls