

Proposed Amendments to School Finance Regulations

603 CMR 10

10.07: Special Education Payments and Reimbursements

(9) **Reimbursement for Individual Districts.** Instructional costs eligible for reimbursement under this program shall be reported by a school district to the Department in a form and manner as prescribed by the Department. The Department may require such reports to include state-assigned student identification numbers (SASIDs) and such other personal identifying information as is needed. The Department shall review reports provided by individual districts and shall approve reported costs that are eligible for reimbursement pursuant to 603 CMR 10.07 within 30 days of the submission by the district, subject to the following requirements:

(a) **Annual Calculation.** Calculation of costs for individual students shall be based on the ~~anticipated annual~~ actual costs of the student's program. Services included in the calculation shall be supported by documentation of the student's IEP and associated student records which shall be kept on-site at the district and made available to the Department or the Department's authorized representative upon request.

(b) **Temporary Absences.** Districts may claim reimbursement for students experiencing temporary changes in the delivery of an IEP program due to illness or temporary absence, provided that such absence does not exceed 20 consecutive school days.

(c) **State Reimbursement.** Subject to appropriation, for each student the state's share shall equal 75% of the prior year's approved instructional costs in excess of four times the full amount of the prior year's state average per pupil foundation budget as defined in M.G.L. c.70 and as set by the Department. For students who have no father, mother, or guardian living in the commonwealth, and for any school age child placed in a school district other than a home town by, or under the auspices of, the department of transitional assistance or the department of social services, the state's share shall equal 100% of the prior year's approved instructional costs in excess of said four times the full amount of the prior year's state average per pupil foundation budget. In the event that appropriations are insufficient to fully fund all reimbursements due under 603 CMR 10.07, the total due to each district shall be prorated by an equal percentage.

(d) **Local Budget Planning.** In preparing a budget recommendation for the subsequent fiscal year for consideration by the local appropriating authority, a school district shall ~~project special education costs and enrollments, including per pupil instructional costs eligible for reimbursement under this program. The school committee's budget recommendation should~~ exclude ~~all per pupil instructional costs eligible for~~ the estimated reimbursement expected to be received under this program.

1. Upon receipt of reimbursements paid under this program, such amounts shall be recorded as additional appropriations to the school committee and may be spent by the school committee without further action on the part of the local appropriating authority.

2. Reimbursements shall be made by the Department to the school district in four quarterly payments. Reimbursements ~~for the first three quarters~~ shall coincide with the distribution of funds made available pursuant to M.G.L. c.70. ~~The Department shall provide the district with 50% of its estimated reimbursement by the end of the first quarter; 65% by the end of the second quarter; and 80% by the end of the third quarter, except to the extent that direct payments are made as provided in 603 CMR 10.07(10). The fourth quarter reimbursement shall be made by July 31 of the following fiscal year, provided that the reimbursement claim is submitted by the district no later than June 30. The fourth quarter reimbursement shall be based on actual reported costs and shall include any required adjustments that have not already been included in prior quarters. The fourth quarter reimbursement may be accrued by the district for the fiscal year just ended, in accordance with Department of Revenue year end closing instructions. Each payment shall equal 25% of the estimated annual reimbursement, provided that payments may be adjusted to reflect audit determinations for prior year claims.~~

(10) **Direct Payment to Approved Private Residential Schools.** Residential schools and residential programs that have sought and received program approval using the procedures of 603 CMR 28.09 shall be eligible to receive direct payment of all sums authorized by 603 CMR 10.07 for specific students. Such direct payment shall only be made available upon the request of the district and the private school and upon receipt of required forms and notices by ~~to~~ the Department ~~sent by the responsible school district with subsequent receipt of required forms from the approved private residential school or program.~~ Such payments shall be made in the fiscal year following the year in which services are provided. Direct payment from the Department shall not be available for approved day schools, unapproved schools, programs approved for individual students that are not otherwise approved private residential programs, or summer programs.