

Chapter 182: FORMULA FOR DISTRIBUTION OF FUNDS TO CHILD DEVELOPMENT SERVICES REGIONAL SITES

Summary: The rule governs the distribution of annual grant awards from available funds to regional intermediate educational units in accordance with a funding formula to ensure the provision of Child find, early intervention services for eligible children birth to under age 3, and special education and related services for eligible children three to under age 6 with disabilities and their families.

I. Purpose

The purpose of the funding formula is to distribute available funds based on objective statistical methods of allocation that reflect site needs related to personnel and to children to be served. The formula distributes available funds from federal Part B, §619, federal Part C and State General Fund, including Medicaid TCM cost reimbursement to the regional sites, or to local educational agencies functioning as pilot sites. Medicaid cost reimbursement for direct services is also accounted for.

1. The funding formula includes consideration of the costs associated with the following functions: administration; Child find; case management; and provision of required services to eligible children as defined by their individualized plans. The funding formula takes into consideration other factors, which include the statewide population of children from birth under age 6; rolling average of six (6) data points, and cost containment measures. The total allocations made under the funding formula may not exceed funds allocated or appropriated to the program.
2. The formula reserves a portion of the yearly General Fund allocation to the State, which may not exceed 8% of the State's yearly general fund appropriation for the Child Development Services System for the fiscal year, for distribution to the regional sites based on unanticipated changes in costs of, or amount of, mandated services provided during the fiscal year ("hardship funds").

II. Distribution of Funds Within Each Function

1. Administration Pod

Each regional site will be allocated funds for administration based on the number of eligible children with disabilities served calculated by taking a rolling average of six data points over the three prior years at December 1 and June 1, times a per pupil allocation.

Within this pod the travel budgeted should only be for the administrative personnel. Travel to and from the place of employment is not reimbursable. Rent contained in this pod should be in direct proportion to the amount of space utilized by administrative personnel.

2. **Childfind/Service Coordination Pod**

2.1 **Personnel**

2.1.1 **Childfind**

Allowable personnel will be one FTE Childfind Coordinator per 3500 children in the birth through five population.

2.1.2 **Service coordination (case management)**

Allowable personnel will be one FTE per 40 children aged B-2 and one per 75 children aged 3-5 of the site's calculated by taking a rolling average of six data points over the three prior years at December 1 and June 1.

2.2 **Funding**

Each FTE will be funded based on the average salary and benefits for a CDS case manager.

The funding for a B-2 case manager will be based upon a twelve month year. The funding for the aggregate number of 3-5 case managers will be based on an eleven month year recognizing the need for each regional site to determine within the aggregate allocation the staffing coverage over the summer months required for monitoring of extended school year services (ESY) and referrals that need to be addressed.

Funding for travel is based upon 30% of each regional site's proportionate audited expenditures for FY 07 with a 10% inflation factor. Travel for the case managers will be budgeted in this pod.

3. **Provision of Services Pod**

Beginning FY 2009 a regional site will receive a per child allocation for each child with a disability identified by calculating by taking a rolling average of six data points over the three prior years at December 1 and June 1.

Funding for direct service travel is based upon 70% of each regional site's proportionate audited expenditure for FY 07 with a 10% inflation factor. Travel by direct service personnel will be budgeted in this pod. The rent for the proportionate space utilized by direct service personnel will be budgeted in this pod.

III. **Adjustments to Allowable Personnel and to Distribution of Funds Per the Formula**

The Department will review monthly data and each site's Annual Application Review Report due April 30th of each year and may recommend adjustments in the allocation of funds. Each site budget will be analyzed to determine if, at the current rate of expenditure, the site will have sufficient funds for the remainder of the fiscal year or if the site budget requires an upward or

downward adjustment, due to a change in the number of children, or the population served, or to achieve compliance in the delivery of required services.

1. Reallocation of Funds

If the Department of Education determines that a regional CDS site, or a local educational agency (LEA) involved in a pilot project, is adequately providing Administration, Childfind/Service Coordination, early intervention services and special education and related services to children with disabilities birth to under age 6 residing in the area served by that regional CDS site or local educational agency, the Department may reallocate any portion of the funds identified under the formula that are not needed by that regional site or local educational agency to other regional CDS sites or LEAs in the State that need additional funds to provide Administration, Childfind/Service Coordination, early intervention services or special education and related services to all children birth to under age 6 with disabilities residing in the areas that they serve.

2. Hardship Funds Required to Address Increased Costs of, or Amounts of, Mandated Services

2.1 Requirements for Accessing the Hardship Funds Retained at the Department of Education

2.1.a. Regional Boards of Directors will examine all existing lines of their budget and make whatever adjustments are possible to move unexpended balances from the Administration and Childfind/Service Coordination sections to the Services section.

2.1.b. Regional Boards will complete the standardized hardship questionnaire provided by the Department and will provide supporting documentation of the hardship, specifically providing data as to why the regional site is unable to provide the required services within the funding distribution.

2.1.c. Regional Boards will complete the hardship fiscal worksheet provided by the Department.

2.1.d. The State IEU will complete a monitoring visit to ensure compliance with standardized policies and procedures as part of the review process of each hardship request.

2.2. The Department will make a determination on the regional Board's request for hardship_funds based on the information provided above.

STATUTORY AUTHORITY: 20-A MRSA §7727(4-A), as of 2006 20-A MRSA §7005(1)

EFFECTIVE DATE:

June 30, 1999 (EMERGENCY - major substantive chapter - expired June 30, 2000)

NON-SUBSTANTIVE CHANGES:

November 9, 1999 - minor punctuation.

EFFECTIVE DATE:

March 1, 2001 (EMERGENCY - expires May 30, 2001)

(APA Office Note: the following is P.L. 1999 ch. 296, Section 12, Adoption of funding formula: "The major substantive rule adopting the funding formula, pursuant to the Maine Revised Statutes, Title 20-A, section 7727, subsection 4-A must be presented by the Department of Education for legislative review in the First Regular Session of the 120th Legislature, except that the Commissioner of Education may adopt by rule a funding formula for each of the state fiscal years 1999-00 and 2000-01 as an emergency rule pursuant to Title 5, section 8073. The commissioner shall report to the Joint Standing Committee on Education and Cultural Affairs by February 15, 2000 on the funding formula for fiscal year 1999-00.")

EFFECTIVE DATE:

July 11, 2001

NON-SUBSTANTIVE CORRECTIONS:

March 15, 2004 - alignment of 1.1a

AMENDED:

August 9, 2006 – EMERGENCY major substantive, filing 2006-364

July 8, 2007 – major substantive final adoption, filing 2007-233

REPEALED AND REPLACED:

July 15, 2008 – EMERGENCY major substantive, filing 2008-313