Special Education Preschool – State Allocation Procedures
Revised July 2019

The Fiscal Support Manager and the Federal Programs Manager independently calculate the Special Education Preschool – State Allocations. The two independent calculations are compared to ensure accuracy in calculation. The approved allocation amounts are then published via an ADE Commissioner's Memo on the ADE website.

An LEA can elect to not participate in the Special Education Preschool – State funding by signing a Declaration of Non-Participation and submitting the signed form to ADE. The Fiscal Support Manager maintains an electronic copy of Declaration of Non-Participation forms on the network share drive for auditors review.

Special Education Preschool – State funds are appropriated to ADE's Public School Fund Account each year. These funds are used to pay the early childhood Medicaid match, with all remaining funds distributed to the LEAs. The initial amount of funds to be allocated to LEAs are determined by taking the original appropriation less an estimated amount for the Medicaid match expenditure.

Allocations are calculated at least three times each school year and are based on prior year data for all LEAs except new or significantly expanding charter schools, which must be funded based on current year data. Preliminary allocations are calculated at the beginning of the school year using estimated data for current-year funded charter schools and the estimated Medicaid match amount. Revised allocations are calculated once all current year data is available for use in the formula for these current-year funded charter schools. Final allocations are calculated based on current year data for new or significantly expanding charter schools and current year actual Medicaid match expenditure total.

Data for Funding Calculations

Prior Year Child Count- Prior year's December 1 special education student counts (3 – 5 year olds, including kindergarteners) for district LEAs and open enrollment charter schools are received via e-mail from the Director of Data Management, UALR. (Example: For the 2014-2015 allocation – Use December 1, 2013 count)

Preliminary Current Year Child Count-new or significantly expanding charter schools provide preliminary data for special education students age 3 – 5 years attending in the current year including: current year student grade level, student's resident district, student's prior year district attended, and student's date of birth (for kindergarteners only).
NOTE: New or significantly expanding charter schools are identified by the Charter School Program Advisor.

Final Current Year Child Count – Current year's December 1 special education student counts (3 – 5 year olds, including kindergarteners) for district LEAs and open enrollment charter schools are received via e-mail from the Director of Data Management, UALR. (Example: For the 2014-2015 allocation – Use December 1, 2014 count)

Medicaid Match Expenditure – expenditures in AASIS for cost center 351149 and internal order I0500A02.

Preliminary Calculations

- Obtain the prior year Medicaid match expenditure amount from AASIS.

- Calculate the <u>Current Year Medicaid Match</u> estimate by adding 25% to the average of the prior three years from Step 1.

- Calculate the <u>Allocation Amount for Distribution</u> by subtracting the Current Year Medicaid Match amount from Step 2 from the total appropriation.

- Calculate <u>Total Child Count</u> = Prior Year Child Count as defined in Data section above.

    A. For new or significantly expanding charter schools, Total Child Count = Preliminary Current Year Child Count as defined in Data section above.

- Calculate a Relative Share % as follows: Individual LEA's Total Child Count (/) Total Child Count of all LEAs.

- Preliminary Allocation = Relative Share % * Allocation Amount for Distribution.

- Individual LEA allocation totals are then assigned to the designated EC provider indicated on the Special Education survey for the given year.

Revised Calculations

- Calculate <u>Total Child Count</u> = Prior Year Child Count as defined in Data section above.

    A. For new or significantly expanding charter schools, Total Child Count = Final Current Year Child Count as defined in Data section above.

- Calculate a Relative Share % as follows: Individual LEA's Total Child Count (/) Total Child Count of all LEAs.

- Revised Allocation = Relative Share % * Allocation Amount for Distribution.

- Individual LEA allocation totals are then assigned to the designated EC provider indicated on the Special Education survey for the given year.

Final Calculations

- Hold final monthly payments until final allocations are determined.

- Obtain the current year Medicaid match expenditure amount from AASIS or MITS office.

- Calculate the <u>Final Allocation Amount for Distribution</u> by subtracting the Current Year Medicaid Match amount from Step 12 from the total appropriation.

- Calculate <u>Total Child Count</u> = Prior Year Child Count as defined in Data section above.

    A. For new or significantly expanding charter schools, Total Child Count = Final Current Year Child Count as defined in Data section above.

- Calculate a Relative Share % as follows: Individual LEA's Total Child Count (/) Total Child Count of all LEAs.

- Final Allocation = Relative Share % * Final Allocation Amount for Distribution.

- Individual LEA allocation totals are then assigned to the designated EC provider indicated on the Special Education survey for the given year.