



# OSEP National TA Call: Understanding IDEA Part B State Set-Aside Funds

November 10, 2022



# Presenters



**Dave Phillips**  
Director, CIFR



**Elena Lincoln**  
TA Liaison, CIFR



**Steve Smith**  
TA Liaison, CIFR

# Agenda

- Engaging CIFR
- Section 611 and 619 State Set-Aside Funds
  - Purpose and Maximum Amounts
  - Required and Permissive Uses
- State Set-Aside Budget Data & Considerations
- Wrap Up

# What We Do

The Center for IDEA Fiscal Reporting (CIFR) assists states to improve the quality of their collection, reporting, analysis, and use of IDEA Part B and Part C fiscal data.

# What We Do

CIFR supports the following Part B fiscal requirements:


- Maintenance of state financial support (MFS)
- IDEA state set-aside funds
- Allocation of IDEA Part B subgrants to local education agencies (LEAs)
- LEA maintenance of effort (MOE)
- Coordinated early intervening services (CEIS)

# Engaging CIFR

- <https://cifr.wested.org/>
- State TA Facilitators
- Resources and Tools
- CIFR Listserv
- Communities of Practice

# Targeted Objectives

- **Expand state knowledge** of the IDEA fiscal requirements
- **Increase state capacity** to collect and report accurate IDEA fiscal data and to analyze and use those data for improving programs by sharing model practices;
- **Improve state infrastructure** for IDEA fiscal data collection, reporting, analysis, and use through:
  - Developing and maintaining well-defined and documented policies and procedures,
  - Creating or adopting needed tools and resources,
  - Building and enhancing training systems, and
  - Cultivating strong cross-functional and cross-agency relationships.



What was the maximum amount of Section 611 funding available to set aside in FFY 2021?\*

**\$1.5 billion**

- \$255.7 million for state administration
- \$1.27 billion for other state-level activities


For every \$100 of Section 611 state grants,

**\$1.98** was available for state administration

**\$9.85** was available for other state-level activities

\* Based on FFY 2021 application information for 53 programs





What was the maximum amount of Section 619 funding available to set aside in FFY 2021?\*

**\$104 million**

- 20% maximum for state administration
- Remainder available for other state-level activities, up to the set-aside maximum

For every \$100 of Section 619 state grants,

**\$26.20** was available for state set-aside

\* Based on FY 2021 Preschool Grants to States Summary Table for 52 programs

# IDEA Part B State Set-Aside Funds

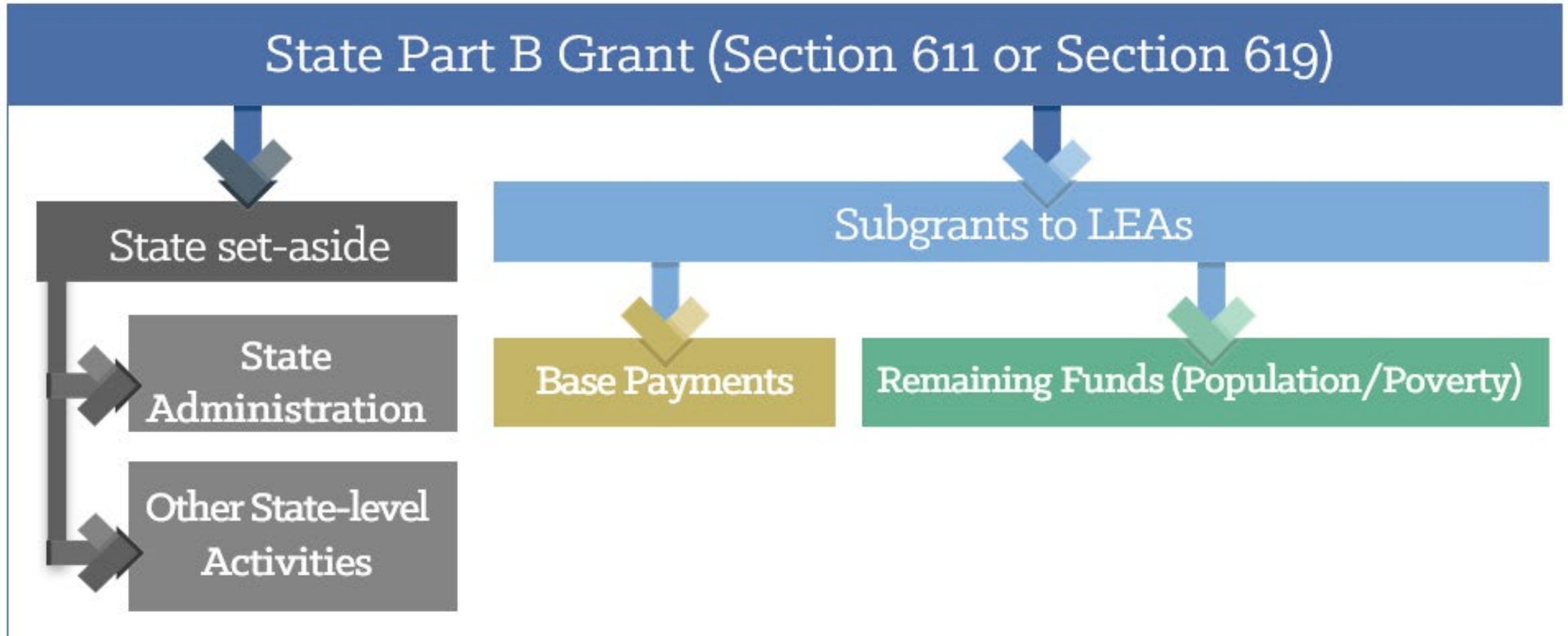
Section 611: 34 CFR § 300.704

Section 619: 34 CFR §§ 300.812-814

# IDEA Part B Grants to States

IDEA Section 611	IDEA Section 619
Awarded to eligible states, outlying areas, and freely associated states for children ages 3 through 21.	Awarded to eligible states (as well as the District of Columbia and Puerto Rico) for children ages 3 through 5.
Each SEA: May set aside section 611 funds for administrative and other state-level activities.  If the SEA reserves funds for other state-level activities, it must reserve a portion of those funds for specific state-level activities.	Each SEA: May reserve a portion of its IDEA section 619 grant for administration and other state-level activities.
34 CFR § 300.704	34 CFR §§ 300.812– 300.814

# IDEA Part B State Grant and Subgrants to LEAs



# IDEA Part B State Set-Asides

Maximum Amounts

# Section 611: State Administration Maximum

- Described in 34 CFR § 300.704(a)
- States: not more than the maximum amount the state was eligible to reserve for state administration for Section 611 for fiscal year 2004 or \$800,000 (adjusted for inflation), whichever is greater
- Outlying areas: not more than five percent of the Section 611 grant the outlying area receives or \$35,000, whichever is greater.

# Section 611: Other State-Level Activities Maximum

- Described in 34 CFR § 300.704(b)(1)
- The maximum amount depends on:
  - Whether the state administration set-aside is equal to/less than or greater than \$850,000
  - Whether the state operates a high-cost fund under 34 CFR § 300.704(c)
  - Inflation

# Section 619: Set-Aside Amounts

- Described in 34 CFR § 300.812-814
- Maximum amount available: 25 percent of the state's Section 619 allocation in fiscal year 1997, adjusted by the lesser of the percentage increase in the state's Section 619 grant from the prior year or the rate of inflation
  - State administration amount: not more than 20 percent of the total reserved
  - Other state-level activities amount: difference between what the state reserves in total and what it reserves for state administration



# IDEA Part B State Set-Asides

Required and Permissive Uses

# Section 611 State Administration: General Uses

- Administering Part B, Sections 611 and 619
- Coordinating Part B activities
- Providing technical assistance to other programs providing services to children with disabilities
- Administering Part C (if the SEA is the lead agency)

34 CFR § 300.704(a)

# Section 611 State Administration: Additional Uses

- Part C Option: If state receives Section 619 grant, the state can implement a policy to provide early intervention services under Part C (34 CFR § 300.704(f)).
- Under 34 CFR § 300.704(e), inflationary increases can be used for:
  - For support and direct services, including technical assistance, personnel preparation, and professional development and training
  - To assist LEAs in providing positive behavioral interventions and supports and mental health services for children with disabilities
  - To assist LEAs in meeting personnel shortages; or
  - To support capacity building activities and improve the delivery of services by LEAs to improve results for children with disabilities.

# Section 611 Other State-Level Activities: Required Uses

- Some portion of the reserved funds must be used to carry out:
  - Monitoring, enforcement, and complaint investigation.
  - Establishing and implementing the mediation process.

34 CFR § 300.704(b)(3)

# Section 611 Other State-Level Activities: Permissive Uses (1 of 2)

- Support and direct services.
- Technical assistance.
- Personnel preparation.
- Professional development and training.
- Paperwork reduction activities.
- To assist LEAs in providing positive behavioral interventions and support and mental health services for children with disabilities.
- To support and improve the use of technology.

34 CFR § 300.704(b)(4)

# Section 611 Other State-Level Activities: Permissive Uses (2 of 2)

- Development and implementation of transition programs.
- To assist LEAs in meeting personnel shortages.
- To support capacity building activities and improve the delivery of services by LEAs.
- Alternative programming, services for children with disabilities in correctional facilities, state-operated or state-supported school, and charter schools.
- To support the development and provision of accommodations or alternate assessments.

34 CFR § 300.704(b)(4)

# LEA High-Cost Fund

- Can use 10 percent of Section 611 amount set aside for other state-level activities to help LEAs address the needs of high need children with disabilities by:
  - Financing a high-cost fund.
  - Supporting innovative and effective ways of cost sharing by the state, by an LEA, or among a consortium of LEAs.
- SEA must develop, and annually review thereafter, a state plan for the high-cost fund.
- Not allowed to use these funds for administration or coordination of the high-cost fund (may use state administration funds for this).

34 CFR § 300.704(c)

# LEA Input

- Under 34 CFR § 300.171(a)(2), states are required to describe how Section 611 set-aside amounts will be used to meet requirements of IDEA Part B and be allocated to meet state priorities **based on input from LEAs**.
- How is input from LEAs gathered, considered, and documented when making decisions about the use of state-level set-aside funds?
  - Be prepared to submit a description of that process for Section 611 state set-aside funds as required by Section III of the application.
  - States may want to ensure that written procedures include this process.



# Section 619 State Administration

Funds reserved may be used for the purpose of

- Administering Section 619.
- Administering Part C.

34 CFR § 300.813

# Section 619 Other State-Level Activities: Permissible Uses

Funds reserved under 34 CFR § 300.812 not used for administration must be used:

- For support services (including the mediation process) which may benefit children with disabilities younger than 3 or older than 5 as long as the services benefit children aged 3 through 5.
- For direct services for children with disabilities aged 3 through 5.
- For activities at the state and local levels to meet the state's performance goals.

34 CFR § 300.814

## Section 619 Other State-Level Activities: Permissible Uses (cont.)

- To supplement other funds used to develop and implement a statewide coordinated services system.
- To provide early intervention services (must include an educational component) to children with disabilities eligible under section 619 and who previously received Part C services until the children enter, or are eligible to enter, kindergarten.
- To continue service coordination or case management for families who receive services under Part C.

34 CFR § 300.814

# IDEA Part B State Set-Asides

A Closer Look at Budgeting and Key Considerations  
for States

# Pause and Reflect

- How does your state use Section 611 funds for state administration and other state-level activities?
  - What are the top three uses of your Section 611 set-aside funds?
- Has your use of other state-level activities funds shifted recently?

The background of the slide features a collage of financial data visualizations. In the top left, there is a bar chart with three bars in blue, green, and red, labeled 'may', 'jun', and 'aug'. Below this, a line graph shows three upward-trending lines with markers, labeled 'sep', 'oct', and 'nov'. To the right of the line graph is a pie chart with three segments in blue, green, and red. At the bottom left, a black pen with silver accents lies diagonally over a table of numbers. The numbers in the table are 125,058, 125,487, 124,000, and 125,450.

## Set-Aside Investments for State Administration in 43 States

For every \$100 of Section 611  
state grants in FY 2021,

**\$1.99**

was available for state  
administration and

**\$1.93**

was reserved.

- **\$1.77** on Part B administration
- **\$0.06** on Part C option
- **\$0.03** on capacity building
- **\$0.02** on direct services and TA
- **\$0.02** on PBIS
- **\$0.01** on Part C administration
- **\$0.01** on personnel shortages

Based on FFY 2021 application information for 43 states.  
Numbers will not add due to rounding.



## Set-Aside Investments for Other State-Level Activities in 43 States

For every \$100 of Section 611 state grants in FY 2021,

**\$9.84**

was available for other state-level activities and

**\$9.31**

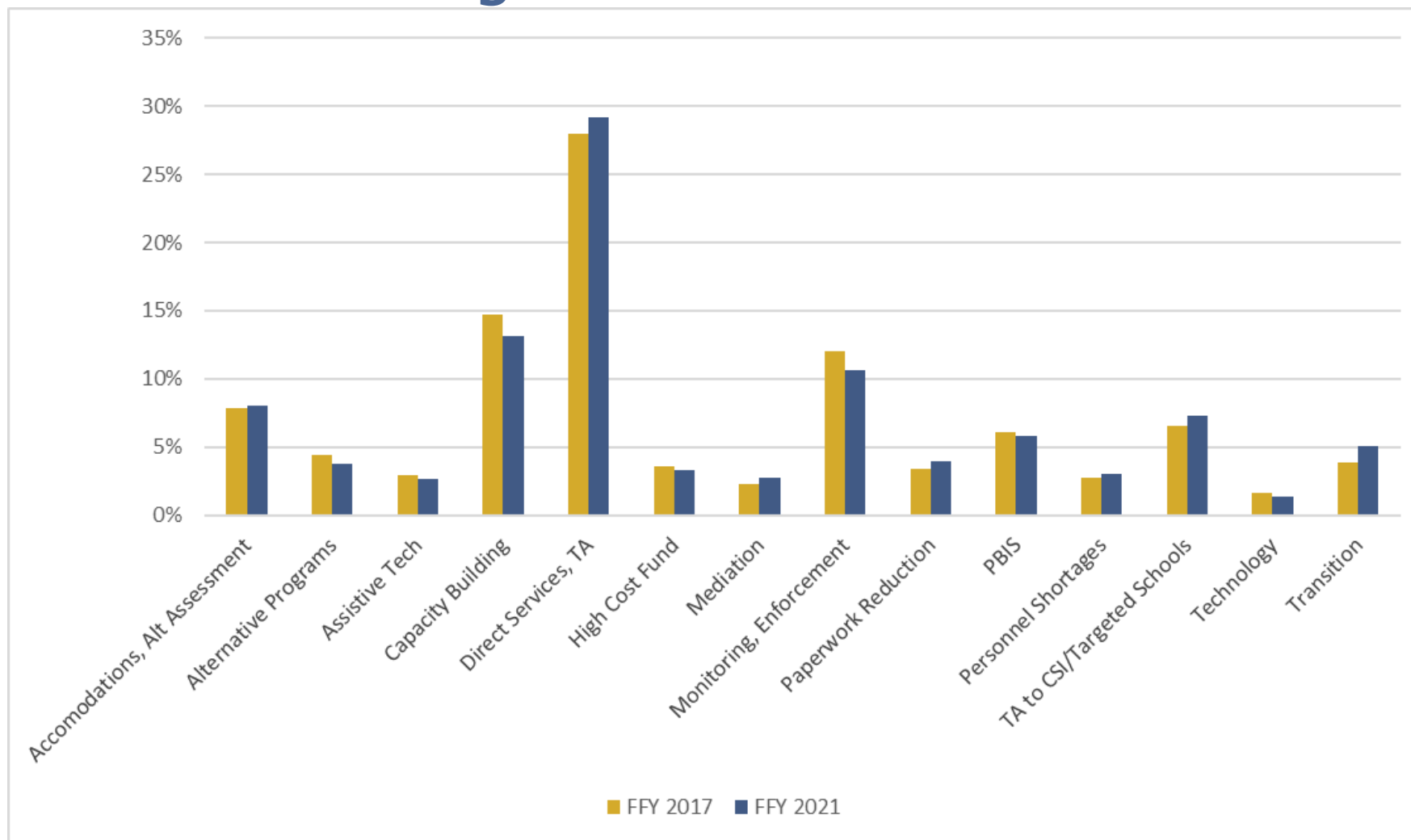
was reserved.

- **\$2.88** on direct services & TA
- **\$1.18** on capacity building
- **\$1.00** on PBIS
- **\$0.91** on monitoring & enforcement
- **\$0.71** on accommodations & alternate assessments
- **\$0.52** on TA to CSI/targeted schools
- **\$0.38** on transition
- **\$0.37** on high-cost fund
- **\$0.35** on alternative programs
- **\$0.26** on assistive technology
- **\$0.23** on personnel shortages
- **\$0.23** on paperwork reduction
- **\$0.18** on mediation
- **\$0.10** on technology

Based on FFY 2021 application information for 43 states.

Numbers will not add due to rounding.

# How has the use of Section 611 funds for other state-level activities changed over time?



Note: analysis based on 40 states



# Considerations for State Conversations

- How does your state make and document processes and decisions regarding IDEA state set-aside funds? Is this process different for Section 619 funds?
- Considering events and changes over the last four years, what has changed in reserving or expending these funds in your state?
- To what extent are your state-level activities driven by other data about your state system and improved outcomes for children with disabilities?
- How do you know that funds currently reserved are being used effectively?

# CIFR Resources

- [IDEA Part B Fiscal Timeline, v1.3](#)
- [IDEA Part B Allocations At A Glance](#)
- [Understanding the IDEA Part B State Grant Funding Cycle and Different Fiscal Years](#)

# IDEA Part B State Set-asides

Questions?

# Upcoming CIFR activities:

December 7, 2022

- Open door session on state set-aside
- CIFR listserv will announce registration

Coming in 2023!

- CoP on state set-aside
- More information available in January

# Contact Us



Web: <https://cifr.WestEd.org/>  
Email: [cifr\\_info@WestEd.org](mailto:cifr_info@WestEd.org)  
Twitter: @CIFR\_IDEA