Office for Exceptional Children
Fiscal Review Guidance FY14
Quick Reference Guide for Districts

Special Education Directors and Treasurers: The following items are reviewed by OEC Resource Management during reviews. Please share this with appropriate staff.

Statement of Accounts

Attribute	Rationale/Guidance – Part B Fund 516 and Fund 587
FY14 Budget matches LEA documentation of current use of funds.	OEC will verify that the district's Financial Details (FINDET) report shows that the district is on pace to match the current year budget in the CCIP by subtotaling FINDET transactions according to object codes (100, 200, 400, 500, 600 & 800) for the year to date. The fiscal year from July 1, 2013 through the year to date expenditures will be reviewed for coding accuracy.
Prior Year FER	OEC will see that the Prior Year FER has been submitted.
Funding Codes	Part B Funds 516 and 587

Payroll Expenditures

Attribute	Rationale/Guidance
Position descriptions of Part B funded staff	OEC will use position descriptions of staff paid with IDEA funds to verify whether their job duties reflect a special education or Coordinated Early Intervening Services (CEIS) purposes.
Certification and/or licensure of Part B funded staff	OEC will verify that employees are properly licensed to educate students with disabilities (SWD). All staff must have a special education license or endorsement in order to teach SWD, except for educational aides (educational aide permit) and pre-school aides (no permit required). Ohio Department of Education licensing requirements for the pupil services areas from the respective Ohio licensing board as well as ODE licensure for work in the schools.
HQT Status of Part B funded staff	OEC will review the HQT status of IDEA funded staff. OEC will verify that teachers meet the HQT requirements for the core academic subject(s) they teach and instructional paraprofessionals also meet federal requirements. Forms from the Highly Qualified (HQT) Toolkit or district forms can be used for staff to document HQT status.

Time and effort documented for Part B funded staff	OEC will verify that semi-annual certification is documented for employees that are employed through a single cost objective ("one function, organizational subdivision, contract, grant or other activity for which cost data are needed and for which costs are incurred"). It is allowable for supervisors (e.g., principal or special education coordinator) who have firsthand knowledge of teacher/employee activities to complete and sign the semi-annual certification on behalf of the employee. Personal Activity Reports (PAR), such as Time and Effort Logs, are maintained for employees working under multiple cost objectives paid with Part B funds. Personal Activity Reports must be signed by the employee and submitted to the treasurer at least monthly. Note: Districts may be required to repay federal funds if time and effort is not properly documented. (See OEC website, keyword: CCIP time and effort for more information.)
Payroll expenditures charged to valid fund, function and object codes	OEC will verify that the district charges expenses for IDEA activities to a valid fund, function and object code. OEC will verify that the district's Accounting Report (ACCRPT) identifies that the proper fund, function and object codes were used in reporting payroll expenditures. IDEA requires payroll expenditures to be reported as elementary (kindergarten through grade 6) or secondary (grades 7-12) levels. Please note the following guidance: • Coding for disability – In either grades K-6 or 7-12, if there are children in the classroom with varied disability conditions, the teacher's salary code should reflect the disability condition of the majority of the children. • Coding for grade level – If there are children with varied disability conditions in the classroom, and the classroom spans both the elementary and secondary categories above (for example, grades 6-8), the teacher's salary code should be pro-rated to reflect the grade level for the majority of the students in the class.
Non-public school service payroll expenditures (N/A for community schools)	OEC will verify that personnel who provide service to non-public students on behalf of the district and are paid with IDEA funds are properly licensed and have duties that correspond to the district's responsibilities stated in the NS3 Consultation Guide.

Non-Payroll Expenditures

Attribute	**Rationale/Guidance**
Non-payroll expenditures serve a proper public purpose under IDEA	OEC will verify whether services or items purchased with Part B funds are for the education of Students with a Disability.

Non-payroll expenditures charged to valid fund, function and object codes	OEC will verify that the district charges IDEA expenses to valid fund, function and object codes. IDEA requires expenditures to be reported as elementary (kindergarten through grade 6) or secondary (grades 7-12) levels. Please note the following guidance: • Coding for disability – In either grades K-6 or 7-12, if there are children in the classroom with varied disability conditions, the teacher's salary code should reflect the disability condition of the majority of the children. • Coding for grade level – If there are children with varied disability conditions in the classroom, and the classroom spans both the elementary and secondary categories above (for example, grades 6-8), the teacher's salary code should be pro-rated to reflect the grade level for the majority of the students in the class.
A Memorandum Of Understanding is in place for all SWD placed out of district by the district	OEC will verify whether the district has a contract/MOU in place for all SWD placed out of the district by the district. The district will provide OEC with a copy of the contract/MOU upon request.
Non-payroll expenditures charged to IDEA funds documented adequately	OEC will verify that the district maintains documentation (vouchers, receipts, statements, invoices, etc.) for purchases made with Part B funds.
Non-public school service expenditures (N/A for community schools)	OEC will verify that the district has expended Part B funds on behalf of students who attend non-public schools per the district's responsibilities stated in the NS3 Consultation Guide.

Equipment/Capital Outlay Expenditures

Attribute	**Rationale/Guidance**
Procurement policy in place	OEC will verify whether the district has a procurement policy in place. Districts should have an approved definition of equipment. If there is none, the federal definition applies as follows: "Equipment is any tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost of $5,000 or more per unit." District definition may define a per unit cost of less than $5,000, but the definition cannot have a per unit cost exceeding $5,000.
Procurement policy followed regarding purchases with Part B funds	OEC will review the district's procurement policy and verify that the district has followed its own policy for procuring equipment items purchased with Part B funds. Particular attention will be paid to RFP and quote requirements outlined in the policy. *(See 34CFR 74.53 and 80.32)*

Equipment inventory list maintained for equipment purchased with Part B funds	OEC will verify whether a current equipment inventory list is maintained by the district for items purchased with Part B funds. Inventory listings are required to be updated bi-annually. OEC will physically trace a sample of items when conducting onsite reviews. *(See 34CFR 74.53 and 80.32)* Inventory records must include: item description, serial or ID number, funding source, name of title holder, acquisition date, acquisition cost, % of federal participation in the cost of the item, item location, item use and condition, and disposition date and sales price (if applicable).
Equipment purchased with Part B funds properly identified per procurement policy	OEC will review the district's procurement policy and verify that the district has followed its own policy for identifying equipment items purchased with Part B funds. Particular attention will be paid to tagging/identification requirements stated in the policy. *(See 34CFR 74.53 and 80.32)*
Equipment inventory disposal procedures in place and being followed	OEC will review the district's procurement policy and verify that the district has followed its own policy for disposing equipment items purchased with Part B funds. Districts are required to deposit proceeds obtained for disposed equipment with a value of less than $5,000 into the fund program from which they were purchased. Districts must contact the ODE Office of Federal Programs for guidance on how to handle proceeds for items valued at more than $5,000 at the time of disposal. *(See 34CFR 74.53 and 80.32)*
Non-public school service equipment purchases (n/a for community schools)	OEC will verify that the district has expended Part B funds on behalf of students who attend non-public schools per the district's responsibilities stated in the NS3 Consultation Guide.

Child Find for Area Non-Publics (34 CFR 300.132)
(n/a for Community Schools)

Attribute	**Rationale/Guidance**
Maintains record of the number of students attending area non-publics evaluated for special education services	OEC will verify that the district maintains records of the number of children attending area non-publics who were evaluated for special education services. The district will provide OEC with a count upon request.
Maintains record number of students attending area non-publics determined to be SWD	OEC will verify that the district maintains records of the number of children attending area non-publics determined to be SWD. The district will provide OEC with a count upon request.
Maintains record of number of students with disabilites served by area non-publics	OEC will verify that the district maintains records of the total number of children attending area non-publics (both SWD and non-SWD). The district will provide OEC with a count upon request.
Timely consultation with area non-publics	OEC will verify that the district holds timely consultation with area non-publics by reviewing data in the NS3 Consultation Guide. The data in the NS3 Consultation Guide is entered by the participating non-public school, but verified by the district.

Public Participation (34 CFR 300.165 and 34 CFR 300.201)

Attribute	Rationale/Guidance
Invitation to public hearing	OEC will verify that the district has invited the general public to participate in a public hearing and provided an opportunity for public comment, including individuals with disabilities and parents of children with disabilities on how the district plans to spend its Part B funds. Items that can be used by the district to verify that the meeting was announced include: press advertisements, district website, flyers, newsletters, etc.
Notice of public hearing	OEC will verify that the district gave the general public, including individuals with disabilities and parents of children with disabilities adequate notice of not less than two weeks between the announcement of the time, date and location and the date of the meeting.
Public hearing held	OEC will verify that the district actually conducted the public hearing meeting, including the opportunity for public comment. Items that can be used by the district to verify that the meeting occurred include: agendas, sign-in sheets, minutes, etc.

CCIP Redirection for CEIS (34 CFR 300.226) and Reduction of MFS (34 CFR 300.205)

Attribute	Rationale/Guidance
District redirected up to 15% of funds for Coordinated Early Intervening Services *Districts mandated to implement CEIS are required to redirect 15% of its Fund 516 allocation for the purposes of early intervening services for at-risk students.	OEC will verify whether the district redirects Part B funds for Comprehensive Early Intervening Services (CEIS) by reviewing the district's Budget Details/Redirection page in the CCIP Funding Application. The amount of funds used for CEIS cannot exceed 15% of the districts total Part B, Fund 516 allocation. Note: Redirecting funds for CEIS impacts the district's ability to reduce its Maintenance of Financial Support (MFS, formerly known as Maintenance of Effort - MOE). Note: The district used specific fiscal coding (function code, job code, special coding) to identify the Part B funds used to implement CEIS.
Professional development expenditures align with CEIS	For districts utilizing Part B funds for CEIS, OEC will verify whether professional development expenditures align with CEIS by reviewing professional development topics and/or agendas.

Educational and behavioral evaluations, services, and supports, including scientifically based literacy instruction provided	For districts that redirect Part B funds for CEIS, OEC will verify whether CEIS efforts (evaluations, services, and support and literacy instruction) are scientifically based and address the instructional or behavioral intervention needs of students by reviewing professional development topics, evaluation tools, product descriptions and/or curriculum guides.
Maintain count of students who receive CEIS services	For districts redirecting Part B funds for CEIS, OEC will verify whether the district is maintaining a count of students receiving CEIS. The district will provide OEC with a count in the CCIP Budget Details/Redirection page.
Maintain count of students who receive CEIS services who subsequently receive special education services	For districts redirecting Part B funds for CEIS, OEC will verify whether the district is maintaining a count of students receiving CEIS who subsequently received special education services. The district will provide OEC with a count in the CCIP Budget Details/Redirection page.
District reduction of Maintenance of Effort (MOE). ***(****Replacement of Local Funds)*	For any fiscal year for which the allocation received by the District exceeds the amount the District received for the previous fiscal year, the District may reduce the level of expenditures otherwise required (Maintenance of Financial Support) by not more than 50% of the amount of that excess. Note: Redirection of funds for CEIS impacts the district's ability to reduce its Maintenance of Financial Support.