



Paul K. Leather
Acting Commissioner
Tel. 603-271-3801

**STATE OF NEW HAMPSHIRE
DEPARTMENT OF EDUCATION
101 Pleasant Street
Concord, N.H. 03301
FAX 603-271-1953**

Bureau of Special Education FY'17 Memo #23

Date: February 2, 2017

To: Superintendents of Schools
Special Education Directors

From: Office of the Commissioner of Education

Division of Educational Improvement
Bureau of Special Education

Re: Catastrophic Aid Cost-School Year 2016-2017
(July 1, 2016 to June 30, 2017)

ELIGIBILITY FOR REIMBURSEMENT FOR CATASTROPHIC AID

For complete instructions, please go to the Catastrophic Aid Procedures Manual at:

http://www.education.nh.gov/instruction/special_ed/forms.htm

The New Hampshire Department of Education, Bureau of Special Education, is offering guidance for 2016-2017 Catastrophic Aid (CAT AID). The guidance includes eligibility for CAT AID, Application for CAT AID, Allowable Costs and Timelines for CAT AID.

GENERAL INFORMATION

In order to qualify for CAT AID:

1. Students must have been placed in special education programs for their disability that have been approved for special education by the Department of Education.
2. School districts must have entered in the New Hampshire Special Education Information System (NHSEIS) student evaluation and placement data. The data must be in compliance with the requirements of the New Hampshire Rules for the Education of Students with Disabilities (effective June 30, 2008, amended as of December 1, 2010, amended as of May 15, 2014).
3. The cost to the district for implementing the student's Individualized Education Program during the 2016-2017 school year must exceed 3-1/2 times the Estimated Cost per Pupil. The student may have been placed in more than one (1) program during this period, in which case costs are accumulative. This includes approved Special Education Extended School Year (July 1, 2016 to August 31, 2016).

4. For any student eligible for reimbursement under Catastrophic Aid, the district obligation of 3-1/2 times estimated cost per pupil will be paid only once, even if that student transferred to one or more school district(s) during the school year. This means that the 3-1/2 times the Estimated Cost per Pupil liability will be prorated among the districts in which the student resided.

Please note that the Estimated State Average Cost per Pupil for Fiscal Year 2017 has not been established. In the spring when the figure is established the districts will be notified.

APPLICATION FOR CATASTROPHIC AID

1. Districts must enter all invoices, by line item, for each student whose cost exceeds 3-1/2 times the Estimated State Average Cost per Pupil.
2. Costs for students whose data is found in non-compliance with the NH Rules for the Education of Children with Disabilities will not be computed in the district's share of the Catastrophic Aid.
3. It is the district's responsibility to maintain accurate fiscal records of invoices and vouchers for audit purposes.
4. To assist in the review of the student's invoices, you may indicate on the invoice when a session is a make-up session.
5. Costs which exceed rates established by the NHDOE will be disallowed, the NHDOE will only allow for the established rate. For students who are placed out-of-state, the NHDOE will consider the established rate, which is the rate set by the State's Department of Education.
6. For Fiscal Year 2017, all instructional costs entered for public school programs (SAU and LEA) and all out-of-state programs will require districts to submit documents supporting these costs to the Department of Education.
7. For Fiscal Year 2017, all services entered for public school programs (SAU and LEA) and all out-of-state programs will require districts to submit documents supporting these costs to the Department of Education.
8. For Fiscal Year 2017, all exceptional costs (3 year evaluation) of \$1,000.00 or more, and all transportation costs of \$5,000.00 or more shall be entered into NHSEIS, and districts are required to submit documents supporting these costs to the Department of Education.
9. The NHDOE will not consider contracts as invoices to seek Catastrophic Aid reimbursement.

ALLOWABLE COSTS

1. For private special education programs, rates have been established by the Department of Education. The rates are the maximum costs which will be allowed when figuring the final Catastrophic Aid calculations.
2. For district-operated programs, only direct costs attributable to each student's Individualized Education Program (IEP) may be claimed. No indirect cost such as pro-ration of regular staff salaries, building maintenance and operations, regular transportation, standard textbooks and school supplies will be allowed. If the program serves students from other districts on a tuition basis, the funds received must be subtracted from the operational costs of the program to accurately calculate the host district's real or net cost.

3. Districts may not submit Catastrophic Aid costs for students who received Court-Ordered Placement Aid for the same placement(s) during the 2016-2017 school year.
4. Only allowable costs paid from local funds will be considered for Catastrophic Aid reimbursement. If an allowable cost is paid with federal funds, the cost will be disallowed.

DISALLOWED COSTS

1. Indirect costs which have been incurred for common or joint objectives and cannot be identified with the provision of special education and related services as included in a student's IEP.
2. Costs on invoices for services not found in a student's IEP; cost on invoices for which there was not agreed on in the IEP and cost on invoices for excess services not found in the child's IEP.
3. Student is in a placement not approved for his/her disability.
4. Placement is not in the student's IEP for the timeframe of the invoices submitted.
5. The NHDOE will not consider costs for administrative function of personnel. Administrative functions can include, but not limited to, cost to attend meetings, writing of reports including IEP's, development of IEP's and analysis of data.
6. The NHDOE will not consider costs for Catastrophic Aid reimbursement for phone consults or e-mail consults.

TIMELINES FOR CATASTROPHIC AID

The NH Department of Education, Bureau of Special Education, must provide to the Division of Revenue Administration the estimated amount of Catastrophic Aid reimbursement to be received by each school district. This information must be provided by the end of August so that tax rates can be set in a timely fashion. Your cooperation in meeting the following deadlines is critical.

Deadlines:

Districts should be entering Catastrophic Aid data into NHSEIS on a monthly basis. The NHDOE is available to assist districts throughout the year in the CAT AID process.

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| July 31, 2017 | Deadline for districts to have entered Catastrophic Aid data into NHSEIS. Submit transportation, exceptional costs and all other documentation mentioned above to the NHDOE, along with a screen print of the NHSEIS financial summary page. |
| July 31, 2017 | Districts will create a list of all students for which they are applying for Catastrophic Aid and complete the Superintendent's Verification of CAT AID form and submit to the NHDOE. |

Note:

The NHDOE has developed a checklist to assist districts and the NHDOE to streamline the processing of CAT AID. Districts are asked to use the checklist to verify information that has been entered into NHSEIS prior to submitting CAT AID documentation to the NHDOE. Use of the checklist and correction of errors prior to the submission of documentation will assist in the processing of CAT AID. Please submit your completed checklist with the CAT AID documentation.

To assist us in documenting we would appreciate you notify Tamela Dalrymple, at 271-6056, if you had a student eligible for Catastrophic Aid who moved to or from your district during the 2016-2017 school year. Should you need further information or clarification, please contact Tamela Dalrymple at (603) 271-6056 or Tamela.Dalrymple@doe.nh.gov.