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Date: January 24, 2019

To: Special Education Administrators and Business Managers of Approved New Hampshire Private Providers of Special Education Services Requesting Department of Education Rates

From: Office of the Commissioner of Education

Division of Learner Support
Bureau of Student Support

RE: Rate Setting Submissions for FY'20
(July 1, 2019- June 30, 2020)

The New Hampshire Department of Education (NHDOE), Bureau of Student Support, is offering guidance in preparing your FY'20 rate setting budget application.

In accordance with the New Hampshire Standards for the Education of Children with Disabilities, adopted March 24, 2017, **the deadline for submission of all prescribed forms shall be the first of April annually.** This allows the NHDOE time to review all applications and have rates set by June 30th for a July 1st start date. **Please note applications received after the deadline will not receive a rate increase but will have the rate previously set from the prior year.**

Please submit your budget for FY'20 by April 1, 2019, electronically to Tamela.Dalrymple@doe.nh.gov. In the subject line of the e-mail, please indicate **Rate Setting Budget for FY'20.**

The NHDOE only establishes rates for the school/program identified in the current program approval letter. Please submit with the rate setting application a copy of the current program approval letter. When calculating the rate for the school/program, the NHDOE will multiply the current program capacity number identified in the program approval letter by 90%.

Any request for an increase or decrease in program capacity must be requested and approved prior to the rate being established. The NHDOE will not approve requests for program capacity change once the rate setting application has been submitted to the NHDOE.

The guidelines for submitting a rate setting budget proposal:

1. Please submit your budget application based on the needs of your agency in order to continue maintaining compliance and the integrity of the programs at the current level.
 - Items that represent costs for significant changes to the existing programs should be highlighted and supported (any changes to programs must be approved by the Program Approval team) prior to submitting the rate setting budget proposal.

- All costs, other than for emergency purchases or programmatic changes, will be limited to a maximum of 1.91% increase over the rates set for Fiscal Year 2019, in pursuant with per Ed 1129.12 (b)(4) year to year cost increase requests shall not deviate from those cost increases as measured by the price indices in the consumer price index or 5% whichever is greater.
 - Salaries of executives included in the approved special education rate shall be recorded in account 601. Regardless of the actual salary, for the Department's rate setting purposes, executive staff salaries shall be reported at 75% of the average full-time, of the previous year, of the New Hampshire Superintendent salaries. (Ed 1129.08(aq)). The Department has calculated the average of last year's full-time Superintendent's salaries as \$94,169.84. If your executive salaries exceed this amount; please note that the NHDOE will only consider executive salaries of \$94,169.84 or under. Please provide copies of the job description for each executive identified in the rate setting budget proposal.
 - Any rate established through the rate setting process shall be the maximum amount that can be charged to a school district, per Ed 1129.09 (f)(g).
 - New school/program seeking special education approval, rates can only be set once the school/program has received a letter stating their special education approval.
2. Requests for additional personnel and/or program changes may be considered only if such requests are the result of a Department of Education finding of noncompliance through the special education monitoring process. The Department of Education will consider this on a case by case basis.
 3. A copy of the most recent independent audit must be included with the budget packet. Rate setting applications will not be reviewed until the audit is received. If the audit is not received by July 1st, the Department of Education will set the rate as the previous year's rate.
 4. Your FY 2019-2020 school calendar must be included with the budget application.
 5. On Form 1129D, inclusive dates are for FY'20 and should include the month, day and year.
 6. Rates will only be established for programs that are identified in the current program approval letter, please use the identified program approval name in the letter when completing the rate computation.
 7. If personnel resign, are terminated, or the position will not be filled, it is the agency's responsibility to inform the Department of Education in order for the established rate to be revised.
 8. Services/staff costs that are used to establish a tuition rate are not allowed to then charge an additional fee for individual, group or consult services.
 9. During the review process of rate setting the NHDOE may ask for signed copies of personnel contracts.
 10. Copies of all residential licenses must be included. Rates will only be established for programs that are identified in the program approval letter. Rate setting submissions for FY'20, the residential rate for FY'20 will be the same as FY'19. There will be no increase in FY'20 for the residential rate.

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11. Please note that on Form 1129B a new column has been added, column D is for Teacher's Certification Number. This will assist the NHDOE in expediting your application.

The operating budget is your agency's plan for the delivery of services for the upcoming year. Your active participation in the budget process will increase the likelihood of developing the best possible programs for the children of New Hampshire.

The NHDOE will be processing only complete rate setting applications. When incomplete applications are received, the NHDOE will return it to the agency. **If an application is received after April 1, 2019, it will be reviewed but will not receive a rate increase will have the rate previously set from the prior year.**

If a private provider is not submitting a rate application for school year 2019-2020, the private provider will need to submit an audit per Ed 1129.18 before the NHDOE will send them their rate setting letter for school year 2019-2020.

Rules regarding Rate Setting can be found in the New Hampshire Standards for the Education of Children with Disabilities Part Ed 1129 Rate Setting:

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

If you have any questions regarding these guidelines, please contact Tamela Dalrymple at 271-6056. Thank you for your continued cooperation.

TD/:BJD
Attachments
Rate Application Packet
Check-off List of Limitations and Required Back-up