

MEMORANDUM

TO: Superintendents
FROM: Daniel M. French, Ed.D., Secretary of Education
SUBJECT: Agency of Education Memos of June 6 and 7, 2019 re: Costs for Special Education Services
DATE: August 8, 2019

In early June, the Agency of Education (AOE) sent two memos to superintendents, special education directors and business managers, dated [June 6, 2019](#) and [June 7, 2019](#). These memos clarified requirements for allocating general versus special education costs for special education services. The purpose of these memos was to clarify rules that we believed SD/SUs were commonly following; the memos referenced long-standing State Board of Education rules. The clarifications are especially important for determining allowable special education costs for students whose total education is provided outside of district-operated schools. The clarifications also provide guidance on allowability for all contracts for special education services.

For some SD/SUs, current accounting practices are not in compliance with the memos and complying with the memos immediately will impose a hardship on FY20 budget and contract processes. This is not the Agency's intention, and we would like to mitigate the confusion and unforeseen budget impacts that some SD/SUs are currently experiencing. Therefore, we are requesting that SD/SUs with accounting practices that separately allocate general versus special education costs within tuitions paid out of district continue that practice.

SD/SUs that do not currently allocate general versus special education in this manner will have one additional year to come into compliance with these rules.

This will allow time for us to collectively respond and provide resources to help SD/SUs comply with the requirements for FY21. You should anticipate further information from the AOE in the coming weeks to inform your FY21 budget processes.