MEMORANDUM

TO: City and County Superintendents of Education
FROM: Thomas R. Bice
State Superintendent of Education

SUBJECT: Funding of Educational Services for Students at State-Supported Residential Facilities

A procedure initiated and described in a memorandum dated September 30, 1998, directed local education agencies (LEAs) and state-supported agencies to work together to secure funding for education of students placed in 24-hour residential facilities. This memorandum is being sent to reiterate and refine that procedure.

For the school year 2012-2013, the following procedure will be continued and/or implemented.

1. All LEAs must survey their districts and determine if there are 24-hour residential facilities in the district, how many beds are licensed in each facility, and where the residents receive educational services. The LEA will count the residents as part of the average daily membership (ADM) for that LEA based on the number of licensed beds at the facility, rather than individual students due to the constant admission and discharge of students.

2. In order to accomplish the accounting for ADM by beds, the following procedures will be used in the various student management systems. Each bed at a residential facility will be assigned to school code 3999. This school code will be used in the determination of ADM by counting each bed enrolled in attendance for the entire year without regard to actual use of the bed. In order for the student record to pass the edits for student records, the following data must be entered for each bed:

A. A social security number will be assigned using the following method:
   (1) Digit 1 = 9
   (2) Digit 2 = the last digit of the current calendar year (2012 = 2)
   (3) Digits 3, 4, and 5 are your LEA number
   (4) Digit 6 = 9
   (5) Digits 7, 8, and 9 are a sequential number starting with 001
   Example: 910029001 (002 = system code)
B. Last Name = The last name will consist of the word "Bed" followed by the sequential number assigned in the social security number (Bed001)
C. Homeroom = Use the seven-digit code assigned by the Alabama State Department of Education (ALSDE) for each facility. This seven-digit code will be validated at the ALSDE to ensure appropriate bed counts are assigned to the appropriate agency. If the code entered is invalid or the code is not entered, the associated file will be unlocked and the school system will be required to enter the correct code and re-submit the file for approval.
D. Race = "N" (not given)
E. Sex = "M" or "F"
F. Grade = "01" – any grade other than “01” could cause fewer teacher units to be earned based on that grade divisor.
G. Date of Birth = January 1 of the current decade (01/01/2000)
H. There can be no special education data associated with a "Bed" record
I. The "Bed" will be enrolled on the first day of school and shown to be present each day of the school year
* Only Beds listed in Grade 01 will be counted for ADM.

3. For those facilities providing educational services on the campus of the facility, the LEA will pay the facility an average cost per year for each bed at the facility. The average cost per year will be calculated by determining the number of teacher units earned from the bed count being submitted and reflected in the ADM count. An average cost per unit is derived from taking the state total Foundation Program dollars minus Other Current Expense (OCE) dollars and then dividing by the total units earned statewide. The average cost is then multiplied by the teacher units earned from that facility to compute the dollars to be paid minus the 4 percent administrative cost. This method ensures that each LEA is paying an equal pro-rata amount, eliminating the inconsistency, and ensures that the funding reaches the education service provider. Formal agreements between the facility and the LEA must be developed and retained for audit purposes. **For the money to be included in your system allocation, there must be personnel coded to the 0001 school code in your Local Education Agency Personnel System data. By doing this, salaries and fringes are earned at the same code of 0001 as the bed facility in which ADM will be counted. To ensure accurate data from your system regarding this procedure, please contact Mr. Ethan Taylor at (334) 242-9269.**

4. This plan applies to Alabama public school students only.
5. Because Alabama Youth Services funds are a separate line item in the Education Budget, this plan will not apply to Alabama Youth Services facilities. However, it will apply to Alabama Youth Services contracted bed space.

6. In situations where the LEA has placed a teacher(s) at a facility, special arrangements must be made to determine the amount of Foundation Program funds, if any, to be forwarded to the facility.

7. This procedure will not change the October 1 Special Education Child Count.
8. Each LEA must report the information compiled in its survey to Data Collection, Information Systems Services, ALSDE, with the 20-days-after-Labor-Day report. The 20-day attendance report is due at the ALSDE by October 15, 2012.

9. Although funding will be based only on bed space and not individual reporting of student attendance, it is necessary that an accurate enrollment and grade assignment be kept for the state testing program use. Individual students must be enrolled in the appropriate grade level to assure that secondary-level students are given appropriate opportunities to take the assessments in the Student Assessment Program. Each agency/LEA must communicate closely with the state testing program personnel to see that the correct number and levels of testing materials are provided as necessary.

10. Previous yearly contractual arrangements through the Special Education Services, ALSDE, to support special education of students in residential placements and group homes will not be available unless individually negotiated due to unusual circumstances.

Questions may be directed to Data Collection, Information Systems, at 1 (334) 353-1250 or Ms. Erika Richburg, Special Education Services, at (334) 242-8114.

TRB/ER/SR

cc: City and County Special Education Coordinators
    Directors of State-Supported Agencies
    Special Education Coordinators of State-Supported Agencies
    Mr. Gary Weatherly
    Dr. Warren Craig Pouncey
    Mr. Barry Kachelhofer
    Dr. Tracy Smitherman
    Ms. Crystal Richardson
    Ms. Erika Richburg

FY12-2124