

**PROGRAM DESCRIPTION**

**Department of Elementary and Secondary Education**  
**High Need Fund**  
**Program is found in the following core budget(s): High Need Fund**

**HB Section(s):** 2.220

**1a. What strategic priority does this program address?**

Success-Ready Students & Workplace Development

**1b. What does this program do?**

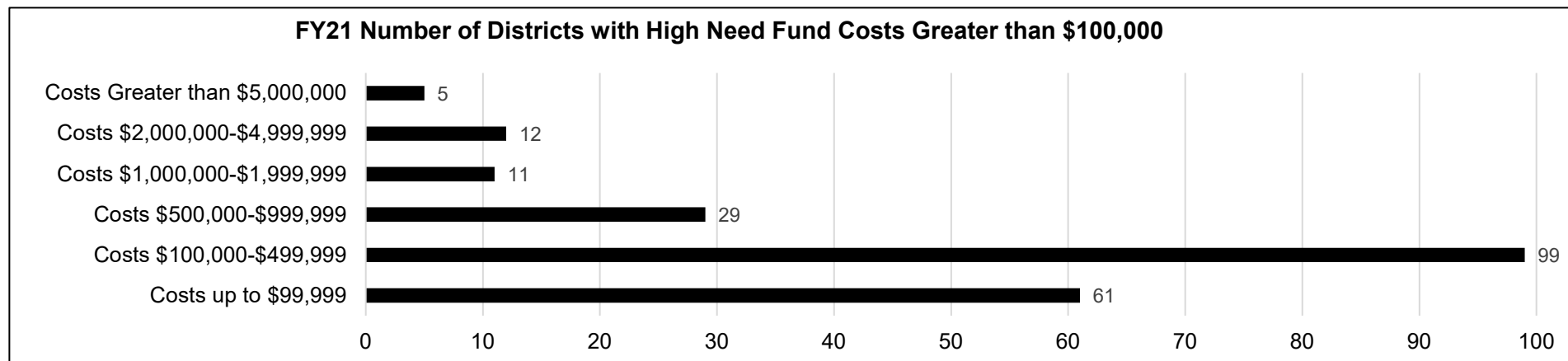
The High Need Fund (HNF) was established to provide additional funding to districts serving high need students with disabilities that are extraordinarily costly to the district. This funding helps reduce the financial stress on districts for increased costs to provide individualized education program (IEP) services that are beyond their control. Districts may claim educational costs that include: Instructional costs, Related Services, Transportation, Tuition, Assistive Technology, and other expenditures directly related to the student’s education and supported by the student’s Individualized Education Program (IEP). The fund provides reimbursement to districts when the educational costs exceeds three times the district’s Current Expenditure per Average Daily Attendance (ADA). Reimbursement is provided the following year in which educational services were provided.

**2a. Provide an activity measure(s) for the program.**

<b>CLIENTS SERVED</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22 Proj</b>	<b>FY23 Proj</b>
Number of Districts Paid under HNF	227	236	242	217	219	221
Number of Students Claimed under HNF	3,644	3,637	3,785	3,636	3,672	3,709

*NOTE: This chart indicates the number of districts that applied for the HNF and the number of students claimed for reimbursement.*

**FY21 Number of Districts with High Need Fund Costs Greater than \$100,000**



*NOTE: This chart indicates the number of districts that incur extreme costs for providing special education services to High Need students. Of the 217 districts that applied, approximately 150 districts had educational costs that exceeded \$100,000 for high need students. These students are very costly to the district.*

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<b>PAYMENT INFORMATION</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22 Proj</b>	<b>FY23 Proj</b>
State Reimbursement	59,536,351	59,536,351	59,536,351	59,536,351	59,536,351	59,536,351
Federal Reimbursement	1,219,368	1,637,853	1,637,853	2,447,978	2,472,458	2,497,182
<b>TOTAL REIMBURSEMENT</b>	<b>60,755,719</b>	<b>61,174,204</b>	<b>61,174,204</b>	<b>61,984,329</b>	<b>62,008,809</b>	<b>62,033,533</b>

*NOTE: This chart shows the amount of reimbursement paid under the HNF for students with severe disabilities. Federal funds are appropriated through the Special Education Grant appropriation.*

<b>HNF COSTS BY CATEGORY</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>
Instructional Costs	\$ 107,953,230	\$ 111,697,913	\$ 113,899,211	\$ 108,270,935
Related Services Costs	\$ 22,908,512	\$ 22,665,721	\$ 24,777,141	\$ 20,548,836
Transportation Costs	\$ 24,823,158	\$ 24,772,696	\$ 28,114,802	\$ 26,141,124
Tuition Costs	\$ 20,440,687	\$ 20,961,959	\$ 25,605,703	\$ 27,962,409
AT Costs	\$ 325,392	\$ 265,549	\$ 186,408	\$ 304,430
Other IEP Costs	\$ 4,411,581	\$ 4,312,219	\$ 4,673,988	\$ 5,197,747
<b>TOTAL</b>	<b>\$ 180,862,560</b>	<b>\$ 184,676,057</b>	<b>\$ 197,257,252</b>	<b>\$ 188,425,481</b>

*NOTE: This chart indicates the categories where high need costs are incurred (this is based on total costs and not the reimbursement the district received).*

**2b. Provide a measure(s) of the program's quality.**

<b>HNF APPLICATION AUDIT PROCESS</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>
Number of HNF Applications that were Reviewed	236	242	217
Percent of HNF Applications that were Reviewed	100%	100%	100%
Number of HNF Applications with Reduced Costs based on Audit Process	35	42	24
Percent of HNF Applications with Reduced Costs based on Audit Process	15%	17%	11%
Amount of Reduced/Unallowable Costs based on Audit Process	\$ 655,912	\$ 850,167	\$ 1,687,568
Number of HNF Applications with Increased Costs based on Audit Process	7	6	3
Percent of HNF Applications with Increased Costs based on Audit Process	1%	2%	1%

*NOTE: This chart indicates the results of the audit process completed on the HNF application to ensure that only allowable costs are claimed.*

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**2c. Provide a measure(s) of the program's impact.**

<b>Cost and Reimbursement Information</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22 Proj</b>	<b>FY23 Proj</b>
Total Cost for Students Reported on HNF Applications	\$ 180,862,560	\$ 184,676,057	\$ 197,257,252	\$ 188,425,481	\$ 190,309,736	\$ 192,212,833
Total Reimbursement for HNF Students	\$ 60,755,719	\$ 61,174,204	\$ 61,174,204	\$ 61,984,349	\$ 62,008,809	\$ 62,033,533
Percent of Reimbursement Compared to Total Cost	34%	33%	31%	33%	33%	32%

*NOTE: This chart indicates how the HNF reimbursement helps offset the educational costs of HNF students.*

<b>Student Placement (FY20 Data)</b>	<b>% of HNF Students</b>
Inside the regular classroom less than 40% of the day	42%
Inside the regular classroom between 40% and 79% of the day	27%
Inside the regular classroom more than 79% of the day	10%
Private Separate Day Facility	11%
Public Separate Day Facility	10%

*NOTE: This chart shows that HNF students may be placed in regular education classrooms with supports and HNF funding. FY21 data will be available in late February 2021.*

<b>Disability (FY20 Data)</b>	<b>Average Cost per Disability</b>	<b>Number of Students</b>	<b>Percent of Students</b>
Hearing Impairment	\$ 64,206	175	5%
Deaf/Blindness	\$ 56,157	7	< 1%
Traumatic Brain Injury	\$ 51,609	34	1%
Multiple Disabilities	\$ 57,580	399	11%
Speech Impairment	\$ 46,569	5	< 1%
Autism	\$ 51,783	1,360	36%
Intellectual Disability	\$ 50,354	593	16%
Emotional Disturbance	\$ 49,230	269	7%
Specific Learning Disability	\$ 36,048	12	< 1%
Vision Impairment	\$ 57,048	73	2%
Development Disability	\$ 46,700	243	6%
Orthopedic Impairment	\$ 49,684	69	2%
Other Health Impairments	\$ 48,489	516	14%
Language Impairment	\$ 45,006	30	1%

*NOTE: This chart indicates the number of students claimed on the HNF application by disability and the average cost per disability. FY21 data will be available in late Feb 2021.*

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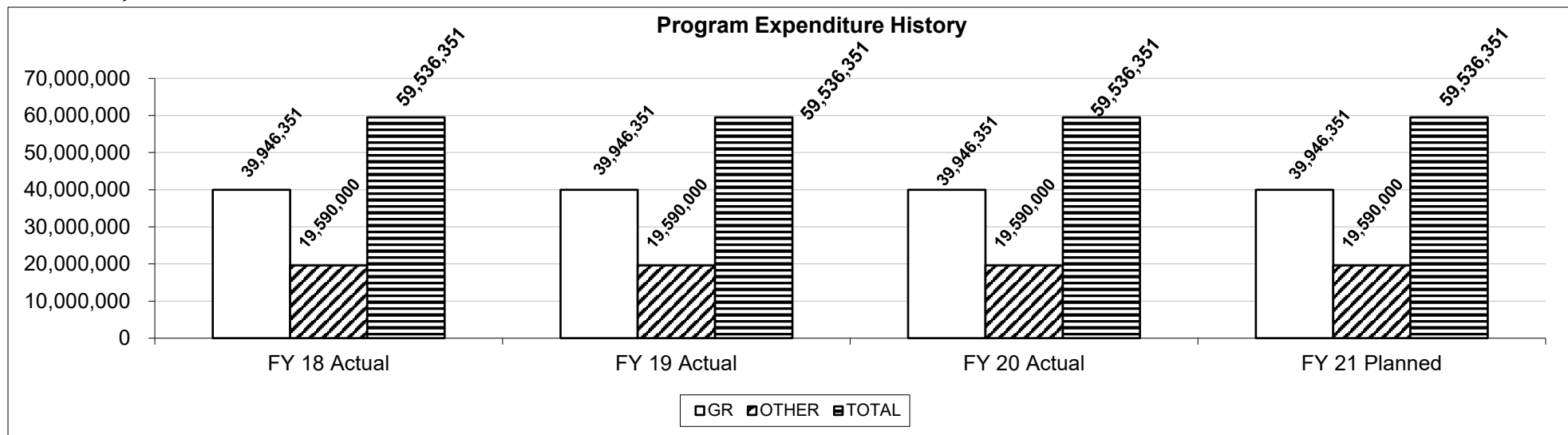
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**2d. Provide a measure(s) of the program's efficiency.**

Indicator	FY18	FY19	FY20	FY21
Applications are received, reviewed, logged, and processed for payment by January 1 each year	100%	100%	100%	100%
The first state HNF payment is paid in the January payment cycle or before	100%	100%	100%	100%

*NOTE: This chart indicates how efficiently applications are processed and paid. Payment is dependent on available cash reserves and appropriation allotments.*

**3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)**



*NOTE: Federal funds are not included in program expenditure history as these funds are appropriated through the Special Education Grant.*

**4. What are the sources of the "Other " funds?**

Lottery (0291-0657), Federal Funds (0105-2265) appropriated under the Special Education Grant

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**5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

RSMo Section 162.974; Individuals with Disabilities Education Act (IDEA) 34 CFR 300.704

**6. Are there federal matching requirements? If yes, please explain.**

There are Maintenance of Effort (MOE) requirements related to the IDEA Part B federal grant. Maintenance of Effort requires the state to appropriate the same amount of state funds for special education programs as it did the previous year. The threshold must be maintained or the state will forfeit federal funding for each year the state does not meet the original threshold.

**7. Is this a federally mandated program? If yes, please explain.**

Yes, there are federal funds from the Special Education Grant that are allowed to go towards state high need programs if certain conditions are met.