

Dollars & Sense with DOE Coding Tip of the Month -- January, 2014

Coding Special Education Costs as per new ARSD rules:

24:05:33:07.03. Cooperative education service unit costs.

A school district may pay, from state and local dollars deposited into the district's special education fund, the following costs incurred by a cooperative educational service unit, as defined by SDCL 13-5-31, as a result of providing special education or special education and related services:

- (1) Technology services;
- (2) General administration services;
- (3) Fiscal services;
- (4) Instructional computer equipment;
- (5) Vehicle and vehicle services; and
- (6) Building maintenance & operation.

Items listed in subdivisions (1) to (4), inclusive, must be prorated as a percentage of the total revenues of the cooperative education service unit, but may never exceed the actual cost of providing the service. Items listed in subdivision (5) must be based on a calculated mile rate based on the type of vehicle. Items listed in subdivision (6) must be based on square footage.

All below definitions are based on the School District Account Manual.

Guidance on how to code the above costs for a COOPERATIVE.

1. Technology services --- **Function 2227** -- Expenditures such as salaries, training, travel, equipment, and supplies related to the staff position that provides technology support for your computer systems.
2. General administration services -- **Function 2300s** -- Activities concerned with establishing and administering policy in connection with the operation of the cooperative service unit. This may include board services; legal/audit services, and executive administration (cooperative director),
3. Fiscal services -- **Function 2520** -- Activities of directing and managing fiscal services.
4. Instructional computer equipment -- **Function 1220s** -- Expenditures such as computers, laptops and ipads for students or instructional teachers only. This **WOULD NOT** include buying any computer equipment for therapists, SE directors, fiscal or general administration.
5. Vehicle and vehicle services -- appropriate function based on the staff for which mileage is paid or reimbursed.
6. Building maintenance and operation -- **Function 2540s** -- Activities concerned with keeping the physical plant open, comfortable and safe for use and keeping the grounds, building and equipment in an effective working condition and state of repair.

Guidance on how to code the above costs for a SCHOOL DISTRICT.

Billing provided by the cooperative service unit should utilize the above codes when billing member school districts. School district business managers should then expend from their special education fund and code expenditures using the above function coding.

EXAMPLE -- Billing from a Cooperative may look like this for a member school district.....

District #1 -- Technology services -22, 2227, 000, 313, \$500
 General administration - board of education - 22,2311, 000, 313, \$125
 General administration - Cooperative director* - 22, 2321, 000, 313, \$1,000.....etc.

**If the cooperative director is acting in the capacity for the member school districts as their special education director the costs would then need to be expended from the function codes of 2710s rather than 2321.*

*The function code 2321 should be used when the cooperative is involved in providing other educational services **IN ADDITION** to special education.*

Guidance on how to prorate costs based on total revenue of a cooperative service unit...

Example A COOPERATIVE SERVICE AGENCY --- Only special education services are provided.

100% of the above costs may be billed to member school districts.

Example B COOPERATIVE SERVICE AGENCY --- Provide SPED services, Perkins Grant, professional training

Revenues received for SPED services	\$ 788,209	37.20%
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Revenues received for non SPED services	\$1,330,730	62.80%
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(Perkins, LEP, professional training)

TOTAL	\$2,118,939	
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Billing may be same as Example A above but the cooperative would be limited to billing member school districts for only 37.2% of the cost for technology, fiscal, general administration, etc.