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# SUPERINTENDENT OF PUBLIC INSTRUCTION

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**Chris Reykdal** · Old Capitol Building · PO BOX 47200 · Olympia, WA 98504-7200 · <http://www.k12.wa.us>

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January 7, 2019

(X) Action Required  
Due dates: ~~2/15/2019~~  
((3/15/2019)) and  
5/10/2019  
(X) Informational

## ADDENDUM TO BULLETIN NO. 101–18 SPECIAL EDUCATION

TO: Educational Service District Superintendents  
School District Superintendents  
Assistant Superintendents for Business and/or Business Managers  
Educational Service District Special Education Offices  
School District Special Education Directors

FROM: Chris Reykdal, Superintendent of Public Instruction

RE: Special Education Safety Net Application for 2018–19

CONTACT: Amber O'Donnell, Special Education Program Specialist  
360-725-6075, [amber.odonnell@k12.wa.us](mailto:amber.odonnell@k12.wa.us), TTY: 360-664-3631

Safety Net funding is available to local education agencies (LEAs) with a demonstrated capacity for special education funding in excess of state and federal funding otherwise available to the LEA. This bulletin provides application instructions for applying for special education Safety Net funding in the 2018–19 school year.

### **RULE REVISIONS**

On September 5, 2018, the Office of Superintendent of Public Instruction (OSPI) filed a Preproposal Statement of Inquiry (CR 101) to address possible rule making activity, which was followed by the CR 102 Hearing Notice on October 24, 2018. ~~OSPI is considering amending WAC 392-140-600 through 685 regarding LEA eligibility for state special education Safety Net funding to adopt recommendations from the Safety Net Legislative Workgroup. The rule making may also involve the addition of new definitions, a section on purpose and procedures for application and review, and technical and housekeeping revisions. The CR 101 and CR 102 are available on [OSPI's Rule Making web page](#), and contain details of the proposed changes and impacted WACs. A hearing is scheduled for November 27, 2018 at 3 p.m. at OSPI. The hearing will~~

~~start on time and will run until all those wanting to testify have done so, which means there is no specific end time, so testifiers should arrive by 3 p.m.~~

((Changes to the proposed rules as a result of the public comment period:

- 'Reimbursement' changed back to 'award' in rules. As the RCW has not yet been amended, the use of "reimbursement" in place of "award" is premature and will be removed from these WACs.
- Language was added to Medicaid to clarify how calculation will occur.
- Amendatory language around supplemental contracts was removed as the change conflicted with RCW 28A.400.200(4).

The [Rule Making Order: CR 103](#) was filed on December 13, 2018. The [rules become effective January 13.](#))

~~Further changes to the Safety Net process that occur due to these proposed rule revisions will be communicated via an addendum to this bulletin.~~

### STATE OVERSIGHT COMMITTEE APPLICATION DEADLINES AND MEETING DATES

<b>Deadline for Receipt of Application at OSPI</b>	<b>Type of Application</b>	<b>Oversight Committee Meeting Date</b>	<b>Meeting Location</b>
<del>((March 15, 2019)) February 15, 2019</del>	High-Need Individuals	June 18–20, 2019	SPSCC 4220 6th Ave. SE Lacey, WA
May 10, 2019	High-Need Individuals (Updates Only) and Community Impact	June 18–20, 2019	SPSCC 4220 6th Ave. SE Lacey, WA
	Final Verification Meeting	August 14, 2019	SPSCC 4220 6th Ave. SE Lacey, WA

The State Oversight Committee approves or disapproves all Safety Net applications at the committee meetings. OSPI notifies LEAs in writing of the determination of the committee. **To observe the process, applicants may attend the State Oversight Committee meeting in person or through Zoom on the morning of June 20 and/or the morning of August 14. LEAs should indicate their intent to attend the meeting on Form SPI 1381-Certification.** Applications are typically reviewed in alphabetical order. Information about prior year Safety Net applications and funding are available on [OSPI's Safety Net website](#).

The majority of High-Need Individual applications should be submitted by the ((March 15)) ~~February 15, 2019~~ deadline. The May 10 High-Need Individuals submission deadline is intended for applications for:

- ~~Students whose annual IEPs are finalized after February 15, 2019 (and whose previous IEP had been submitted to Safety Net in 2017-18).~~
- Students enrolling in the LEA after the ((March 15)) ~~February 15, 2019~~ submission deadline.
- Students with a significant change in services or placement.
- Students accessing Extended School Year (ESY) when the ESY decision is made after the ((March 15)) ~~February 15, 2019~~ submission date.

## **APPLICATION PROCESS**

Safety Net funding decisions are made by the Special Education State Oversight Committee pursuant to WAC 392-140-600–685 based on the LEA's application and information available to OSPI. Required forms and instructions are available in Word and Excel documents that can be downloaded from [the Safety Net website](#).

### Submission Process

While OSPI is requesting additional funds from the legislature to create an online application platform, there are currently two options to electronically submit Safety Net applications.

1. The OSPI Special Education Division has a Secure File Transfer Protocol (SFTP) site for LEAs to use to submit their Safety Net applications. This is the preferred submission method. There are many versions of this type of software, but OSPI recommends CoreFTP. Work with your LEA's IT department to install this software. A CoreFTP user guide is available on the OSPI website. OSPI staff will be

reaching out to LEAs that have applied for Safety Net in the 2017–18 school year to set up the SFTP for the LEA. Contact Amber O’Donnell at [amber.odonnell@k12.wa.us](mailto:amber.odonnell@k12.wa.us) or 360-725-6075 if your LEA did not apply in 2017–18 and plans to submit in 2018–19.

For LEAs using the SFTP site to submit Safety Net applications, the LEA must transfer files through the SFTP to OSPI by 5 p.m. on the deadline date.

2. If your LEA is unable to use the SFTP site, the LEA may send an **encrypted** USB drive containing all required application documents. If your LEA submits applications on an **encrypted** USB drive, **do not** include the password with the submission. Instead OSPI staff will contact the LEA for the password once the encrypted USB drive has been received.

For LEAs using an **encrypted** USB drive, the drive must be received by OSPI by 5 p.m. on the deadline date.

Mailing address for **encrypted** USB drive:

Glenna Gallo

OSPI, Special Education State Oversight Committee Manager

PO BOX 47200

Olympia, WA 98504-7200

In-person delivery address for **encrypted** USB drive:

Glenna Gallo

OSPI, Special Education State Oversight Committee Manager

600 Washington Street SE

Olympia, WA 98504-7200

If your LEA needs an accommodation to these submission options contact Amber O’Donnell at [amber.odonnell@k12.wa.us](mailto:amber.odonnell@k12.wa.us) or 360-725-6075 at least three days prior to the deadline.

#### Fiscal Application (Worksheet A)

Worksheet A is filed with both the High-Need Individual and Community Impact applications. See Worksheet A Line-by-Line Instructions for assistance when completing the financial portion of the application. Worksheet A is pre-populated with (1) budgeted

F-195 revenues and expenditures, and (2) Individuals with Disabilities Education Act (IDEA) federal flow-through allocations for Part B 611 and 619. The LEA's federal restricted indirect rate plus one percent is embedded in Worksheet A. Worksheet A will be populated with 2017–18 Part B Section 611 and 619 carryover and F-196 year-end data when the data becomes available.

The fiscal components of the High-Need Individual and Community Impact Safety Net applications are:

- Certification form
- Worksheet A
- The most recent completed monthly detailed expenditure reports for the special education programs showing the budgeted and actual year-to-date expenditures. The reports must sub-total at three separate levels:
  1. Object (i.e., 21-27-5)
  2. Activity (i.e., 21-27)
  3. Program (i.e., 21)
- Special education enrollment exception reports for the 2018–19 school year
- For High-Need Individual applications, Form SPI 1381-Individuals Summary (included with Worksheet A packet)

#### High-Need Individual Applications

LEAs requesting Safety Net funding on behalf of eligible, resident high-need students. Costs eligible for consideration in a Safety Net ((award) reimbursement) must be associated with providing **direct** special education and related services identified in IEP(s) for the period of funding requested.

- The annualized threshold for a High-Need application is based on a multiple of the statewide average per pupil amount established by the OSPI in consultation with the Office of Financial Management (OFM) and the fiscal committees of the legislature. The 2018–19 application threshold is \$31,761.
- Applicants are required to submit all IEPs in effect for the 2018–19 school year for each High-Need Individual application to validate and quantify reimbursable special education services for the period of the funding requested.
- See Worksheet C Line-by-Line Instructions regarding items required for each High-Need Individual application. It is the responsibility of the LEA to ensure that each application is complete when submitted. OSPI staff may contact the LEA to

request missing documentation. The State Oversight Committee may also request additional documentation during the review process.

- Students with disabilities served in residential schools, programs for juveniles under the Department of Corrections, and programs operated under city and county jails are now eligible to receive Safety Net funding.

### IEP Reviews

OSPI recognizes the importance of compliance with federal and state requirements. However, compliance is not limited to the Safety Net process and is a general supervision responsibility that is reviewed through Washington Integrated System of Monitoring (WISM) monitoring, dispute resolution, and fiscal reviews by the State Auditor's Office.

Beginning with the 2018–19 school year, application review will shift from a review of all IEPs, to a review of a sample of IEPs. If your LEA has had a WISM review in the past two years, results from that review will be used. If your LEA has not had a WISM review in the past two years, a sample of IEPs from your current submission will be selected for review by the State Oversight Committee. IEP reviews will focus on the following areas of the current IEP developed by a team of required members:

- Measurable Annual Goals (MAGs)
- Summary of Service (matrix)
- Signed Emergency Response Protocols (ERP)
- Behavior Intervention Plans (BIP)
- Overall transition components, including Courses of Study and Postsecondary Goals

In September of this school year, LEAs were notified that iGrants Form Package 442 is available to use for correction of issues of identified non-compliance. IEPs submitted for Safety Net ((funding)) reimbursement in 2017–18 that were not funded due to compliance issues are listed on Page 2 – Student Specific Corrections of iGrants Form Package 442. Should the LEA wish to submit the IEP for Safety Net ((funding)) reimbursement in 2018–19, the IEP must be corrected by the LEA and verified by the Educational Service District (ESD) prior to submission. All non-compliant IEPs will be prorated from the date of 442 correction, if not corrected prior to the beginning of the 2018–19 school year.

### Community Impact Applications

Community Impact applications are for disproportional and extraordinary costs associated with communities that draw a larger number of students with disabilities in need of special education services to the LEA, based on current unique attributes of the LEA that are not related to LEA philosophy, staffing decisions, or service delivery choices. Applications cannot include students for whom the LEA is receiving state special education funding. A Community Impact application consists of a complete Worksheet A packet and Form SPI 1381-Community Impact application. Include Statewide Student Identifier (SSID) numbers for students associated with the Community Impact factor(s). See Community Impact instructions for more information.

### **CONDITIONS ASSOCIATED WITH FUNDING FOR SAFETY NET**

State and federal Safety Net funding is not an entitlement. Safety Net funding is an annual grant application. Safety Net ((funding)) ~~reimbursement~~ in prior years does not guarantee future eligibility. The following are conditions associated with Safety Net funding:

- Capacity for funding is based on legitimate actual expenditures and all available revenues included on Worksheet A, which determines maximum funding capacity; however, maximum funding capacity does not entitle an LEA to Safety Net funding.
- Safety Net funding is only for direct special education and related services validated and quantified in an IEP, and/or quantifiable community impact factor(s).
- Safety Net ((award)) ~~reimbursement~~ may be less than the amount of capacity demonstrated on Worksheet A, but in no case may exceed that amount.
- Funding is only provided for resident students (as defined by state law).
- Safety Net funding is only available for the excess cost of educating students with disabilities with an IEP, as required by RCW 28A.150.392, 34 CFR § 300.16, and WAC 392-172A-01075.

### **FINAL APPLICATION DETERMINATIONS**

The Legislature requires that OSPI make funding determinations for Safety Net ((awards)) ~~reimbursement~~ in August of each year. The state portion of the LEA's Safety Net ((award)) ~~reimbursement~~ will be distributed through August apportionment; the federal portion of Safety Net ((award)) ~~reimbursement~~ are drawn using iGrants Form Package 269. iGrants Form Package 269 will not be available until August 2019.

### **SPECIAL EDUCATION PROGRAM AUDITS**

All Safety Net applicants are subject to audit by the State Auditor's Office (SAO) at the request of the State Oversight Committee. The special education program auditors may review and verify data submitted in Safety Net applications, including certifications made by LEAs. Program audits may consider whether IEPs are properly formulated, verify student enrollment data, available revenue, and legitimate actual expenditures. The results of the auditor's reviews may be considered by the oversight committee in determining, adjusting, or recovering Safety Net funding.

### **ADJUSTMENT AND RECOVERY**

All Safety Net funding is subject to adjustment and recovery pursuant to WAC 392-140-630, 392-140-675, and 392-140-685, including situations where the student leaves the LEA or has a change in services. Audits by the SAO may also affect Safety Net eligibility and funding. After the end of each school year, state special education revenue (Account 4121) that is not expended in the state special education program (Program 21) is subject to recovery by OSPI through the School Apportionment and Financial Service Office. Unexpended federal special education funding from 2017–18 may result in a recovery of Safety Net funding.

### **TRAINING**

Regional trainings, tutorials, and webinars will be scheduled and provided by OSPI staff. For training dates, see the [OSPI's Safety Net website](#).

**2018–19 Members of the Special Education State Oversight Committee**

<b>Committee Member</b>	<b>Position and LEA</b>
Glenna Gallo, Manager	Assistant Superintendent, Special Education, OSPI
Jennifer Acuna	Director of Special Services, ESD 114
Brian Aiken	Business and Fiscal Services Director, Ellensburg School District
Jeff Brown	Special Education Director, Burlington-Edison School District
Kathryn Coleman	Director of Student Services, Vashon Island School District
Franklin Day	Special Education Program Director, Spokane School District
Janice Gaare	Special Programs Director, Oak Harbor School District
Cody Gardiner	Special Education Director, Sunnyside School District
Cathy Huston	Special Services Director, Grand Coulee Dam School District
Tammie Jensen-Tabor	Special Services Director, Tumwater School District
Ivy Kardes	Special Education Coordinator, Griffin School District
Connie Kliewer	Special Education Services Director, ESD 101
Erika Kmiecik	Assistant State Auditor, State Auditor's Office (Non-voting)
Annie Lamberto	Assistant Director of Special Education, Battle Ground
Doug Matson	Deputy Superintendent, West Valley School District (Spokane)
Nancy Meeks	Director of Student Services, Snoqualmie Valley School District
Donna Morey	Finance Director, White River School District
Lisa Muchlinski	Special Services, Kennewick School District
Corine Pennington	Chief Financial Officer, Puyallup School District
Dwight Remick	Business Manager, Cascade School Districts
Jennifer Traufler	Executive Director of Student Support, Renton School District
Kyle Weakley	Assistant Superintendent, Quillayute Valley School District

Any questions regarding this bulletin should be directed to Amber O'Donnell, Special Education Program Specialist at 360-725-6075 or email [amber.odonnell@k12.wa.us](mailto:amber.odonnell@k12.wa.us). The OSPI TTY number is 360-664-3631.

This bulletin is also available on the [Bulletins and Memoranda](#) page of the OSPI website.

Michaela W. Miller, Ed.D., NBCT  
Deputy Superintendent

Glenna Gallo, M.S., M.B.A.

ADDENDUM TO BULLETIN NO. 101-18 SE

Page 10

January 7, 2019

Assistant Superintendent  
Special Education

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