

**INSTRUCTIONS FOR PAYMENT PROCESSING  
FOR  
EMERGENCY IMPACT AID FOR DISPLACED STUDENTS  
LOUISIANA DEPARTMENT OF EDUCATION**

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**LEA RESPONSIBILITY FOR FUNDS  
FOR BOTH PUBLIC AND NONPUBLIC SCHOOLS**

LEAs are responsible for both their own funds obtained from the Emergency Impact Aid for Displaced Students grant and for those obtained on behalf of the nonpublic schools within their school district jurisdiction.

**LDE PROCESSING OF NONPUBLIC SCHOOL APPLICATIONS  
AND PARENT APPLICATIONS**

In addition to processing the LEA applications for public displaced students, the LDE also accepted the responsibility for receipt and processing of all parent applications and nonpublic school applications.

Upon receipt of the nonpublic school applications, the SDE verified the eligibility of schools for these funds. In Louisiana, schools must be academically approved and *Brumfield v Dodd* approved to be eligible to receive federal funds. The schools meeting these criteria for the 2004-05 school year were considered eligible.

Nonpublic schools were also required to submit copies of parent applications to the SDE to support the students included on the nonpublic school application. The nonpublic schools were also required to send copies of parent applications to the local LEA for further verification and payment processing purposes.

The LDE examined the applications as follows prior to reporting a student in the count to the USDOE as eligible for funding:

Parent Applications:

- Verified presence of parent signature and signature date
- Verified existence of parent name and address
- Verified that the school from which the student was displaced was a nonpublic school
- Verified that the school the student attended while displaced was a nonpublic school. Also verified that the school name matches the name of the school on the application
- Verified completeness of student name
- Verified grade of student was K-12 only; PK is ineligible

- Verified completeness of SSN (if provided), Date of Birth, Gender, and Ethnicity
- Verified whether the parent indicated on the application the eligibility of the student for special education (IDEA related services)
- Verified date student was attending the school under which the parent application was submitted to ensure the form was for the correct quarter

#### Nonpublic School Applications:

- Verified that for each student application submitted with the Nonpublic School application, the information listed on the detail page contains the same information (Student name and eligibility for special education)
- Verified that amount of tuition waived or charged has been provided
- Recalculated the totals of all columns (Number of students – regular and special education, tuition waived and tuition charged)
- Verified the totals calculated on the detail sheet match the information provided on the Summary page (Number of students, tuition waived and tuition charged)
- Verified on the application cover page, the name of school, name of the local educational agency within whose boundaries the nonpublic school is located, school contact name and information, and signature and date signed

### **LDE CREATION OF NONPUBLIC STUDENT DATABASE**

The LDE, upon completion of the review of nonpublic applications and supporting parent applications, created a database of all nonpublic students by school by LEA. The number of nonpublic students that were included in the database was then reported in the LDE application to the USDOE to request funds.

From the student database, the LDE also prepared a report by nonpublic student by school by LEA. This report will be provided to the LEAs to be utilized in the distribution of funds to the nonpublic schools. The distribution must be student based. For each student included on the report funds must be transmitted to the applicable nonpublic school and an account established on behalf of that student.

- Report includes:
  - Student name

- category of student, either regular education student or student with disabilities
- name of school in which student enrolled,
- amount of tuition waived or amount of tuition paid on behalf of each student

### **LEA RESPONSIBILITY FOR PROCESSING FUNDS TO NONPUBLIC SCHOOLS**

The LEA should verify it has received copies of school and parent applications for each nonpublic school and student on the listing provided by the LDE. Funds should not be transferred to the nonpublic school until these supporting documents have been received by the LEA.

Nonpublic schools were directed to provide this information at the time the quarterly applications were submitted to the LDE. The LEA should followup with the nonpublic school if these copies have not yet been provided.

### **ALLOCATION AMOUNTS FOR PUBLIC AND NONPUBLIC SCHOOL STUDENTS**

LEAs will be provided an allocation of funds based on the students successfully reported in the Student Information System (SIS) on each count date PLUS the nonpublic students identified by the LDE as qualifying for funding MINUS a 1% administration cost being retained at the LDE level.

### **FUNDS FOR ADMINISTRATIVE COSTS**

The LEA may retain 2% of the public allocation for administrative purposes.

In addition, the LEA may retain 2% of the nonpublic allocation for administrative costs. The nonpublic schools should be provided funding after excluding this 2% administrative cost.

### **AVAILABILITY OF FUNDS TO LEAs**

To assist with tracking and identification of funds, LEAs will receive two separate grant awards for the Emergency Impact Aid for Displaced Students funds; one for the LEA/public student amounts and one for the nonpublic student amounts.

## **PAYMENTS OF FUNDS TO LEAS**

Funds for public school students and nonpublic school students will be provided to LEAs in two separate payments to further assist in tracking and identification of these funds. The payments will be transmitted on two separate days to further enhance identification of these funds within the electronic funds transmission process.

## **REQUEST FOR FUNDS BY LEAS**

LEAs are to complete the Request for Funds - Emergency Impact Aid for Displaced Students Summary Form in order to receive funds. The form can be located on the LDE website under **Private/Public School Financial Assistance/Emergency Impact Aid for Displaced Students**

Funds are to be requested in object 800 – Other Objects. The Request for Funds includes the following three (3) items:

1. Request for Funds – Emergency Impact Aid for Displaced Students Summary Form – SDEB-4
2. LEA Application for Federal Funds Statement of Assurances (submitted with initial claim only)

The Superintendent must sign the Request for Funds Summary Form and the LEA Application for Federal Funds Statement of Assurances. The LEA Application for Federal Funds Statement of Assurances must be signed and returned with the initial Request for Funds. Funds will not be released until this is received.

The Request for Funds - Emergency Impact Aid Form should be mailed or faxed (fax preferred) to the following:

Division of Appropriation Control  
Louisiana Department of Education  
P.O. Box 94064  
Baton Rouge, LA 70804-9064

Fax: (225) 342 - 6899  
(225) 342 – 7254

Final Request for Funds must be received in the Division of Appropriation Control Office no later than COB 9/15/2006.

## **CASH MANAGEMENT IMPROVEMENT ACT (CMIA)**

For funds allocated on behalf of public school students, LEAs may only request funds equivalent to expenditures incurred in order to comply with the Cash Management Improvement Act (CMIA).

For funds allocated on behalf of nonpublic school students, LEAs may request the entire allocation at one time. The nonpublic schools or parents have already expended the funds and this allocation is a reimbursement of these costs. (NOTE: Nonpublic schools are not public agencies and are therefore not bound by CMIA regulations)

On receipt of funds, LEA's must ensure compliance with the Cash Management Improvement Act (CMIA) and federal cash management policies to limit the retention period of excess federal cash. Funds should be expended within 3 days of receipt. Expended is defined as a release of funds to the non-public schools or recorded in the accounting transactions for the organization.

LEAs should request **cash** from the LDE when all mechanisms are in place and distribution of funds to a school can occur to meet the required 3 day timeline.

The CMIA timeline required takes precedence over the 14 day period required in the law for distribution of the funds.

LEAs are encouraged to ensure that the nonpublic distribution process is timely and that funds are distributed within 14 days after receipt of the nonpublic **grant award**.

### **RECORDING OF FUNDS FOR LEAS**

LEAs should maintain separate accounts for these funds. It is recommended that a special revenue fund be established. Further segregation of the funds between those for public school students retained by the LEA and those received on behalf of nonpublic school students is also recommended.

If these funds were treated as general fund revenue, and deposited into the general fund account, it might lead to an inappropriate identification of an unexpended amount. For example, if funds were deposited into the general fund, an auditor would likely consider them as a proportionate share of the general fund receipts for the year. Therefore, the same proportionate share of any general fund closing balance would be identified in these funds. Since the law requires that any unexpended balance of these funds be returned, this situation would require that this proportionate share be returned.

**POLICY ON RETENTION OF FUNDS  
FOR SERVICES TO  
IDEA ELIGIBLE NON-PUBLIC STUDENTS**

If an eligible local education agency provides services to a displaced IDEA eligible non-public student, the eligible local education agency may retain a portion of the assistance received under this law on behalf of the student to pay for the services. The eligible LEA may retain 25% of the amount received for the IDEA eligible non-public student for *each* IDEA eligible service (documented in the SER database) the LEA provides to the student.

Example A

LEA provides Non-public student speech therapy (1 service)  
LEA receives \$1875 per quarter  
LEA eligible to retain  $1 \times 25\%$  of \$1875 = \$468.75

Example B

LEA provides non-public student speech therapy and instructional resource (2 services)  
LEA receives \$1875 per quarter  
LEA eligible to retain  $2 \times 25\%$  of \$1875 = \$937.50

**RECORDING OF FUNDS BY NONPUBLIC SCHOOLS**

A separate record must be established on behalf of each student in the financial accounting records of the non public school totaling the amount of the tuition waived or the amount of tuition paid. A separate spreadsheet detailing this information would be an acceptable method of establishing the student accounts.

Upon receipt of the funds, the nonpublic school must credit the amount for each student as a separate record in the financial accounts.

The LDE will identify the amount of tuition waived by student for each nonpublic school. The nonpublic school will debit the student's record and credit this amount to the nonpublic school's business or general operating accounts for allowable expenses as defined by the program guidelines.

The Department will identify the amount of tuition paid by student for each nonpublic school. The nonpublic school will issue a check to the parent or guardian who applied for these funds accompanied by a letter explaining the origination of the funds within 14 days of receipt from the LEA.

The nonpublic school must submit a report to the LEA in order to account for all tuition *reimbursed* to parents or guardians within 30 days of check release.

Items required in this report include: 1) student names, 2) a list of check numbers, 3) check date, 4) check amounts, and 5) parent/guardian names.

NOTE: The EXCEL spreadsheet that is distributed by the LDE detailing the students on whose behalf accounts should be established may be used as a starting point for development of the monthly report. Columns could be added to the spreadsheet for check number, check date, and parent/guardian name.

The nonpublic school must submit a report to the local school district in order to account for all tuition *waived* on a monthly basis after the first receipt of the funds through the closure of the grant period.

Items required in this report include: 1) list of all students for which funds were transferred from the student account into the school's business or general operating accounts for regular and special educational services, 2) the amount transferred, 3) date of transfer, and 4) accounting transaction identification numbers.

NOTE: The EXCEL spreadsheet that is distributed by the LDE detailing the students on whose behalf accounts should be established may be used as a starting point for development of the monthly report. Columns could be added to the spreadsheet for amount transferred, date of transfer, and accounting transaction identification numbers.

## **MAINTENANCE OF RECORDS FOR AUDIT PURPOSES**

Both the local school district and the nonpublic schools will maintain copies of all student lists, checks, letters to parents or guardians, financial records, bank statements, correspondence, reports to the local school district, and all other related materials *for a period of 5 years*.

## **QUESTIONS**

Questions regarding these directions should be addressed to the following persons in the Division of Education Finance, Grants Management Section via phone at (225)342-6311, or via email at:

Kim Lamonte, Budget Analyst  
Laurie Roche', Budget Administrator  
Pete Lafleur, Budget/Management Administrator

[kim.lamonte@la.gov](mailto:kim.lamonte@la.gov)  
[laurie.roche'@la.gov](mailto:laurie.roche'@la.gov)  
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