

## Education Laws and Regulations

# 603 CMR 10.00:

## School Finance

### Section:

- [10.01: Authority, Scope and Purpose](#)
  - [10.02: Definitions](#)
  - [10.03: Accounting and Reporting: School Districts](#)
  - [10.04: Financial Accounting and Reporting: Other Municipal Departments](#)
  - [10.05: Documentation Requirements](#)
  - [10.06: Annual School Spending Requirements](#)
  - [10.07: Special Education Payments and Reimbursements](#)
  - [10.08: Transportation Reimbursement, Resident Students](#)
  - [10.09: Transportation Reimbursement, School Choice, Homeless and Charter School Students](#)
  - [10.10: Audit Procedures](#)
- [View All Sections](#)

Most recently amended by the Board of Education: June 25, 2013.

### 10.07: Special Education Payments and Reimbursements

(1) Each school district shall pay for the special education and related services specified in the approved individual education plan for every student in need of special education for whom the district is assigned financial responsibility under 603 CMR 28.00: *Special Education*.

(2) School districts which enroll non-resident students pursuant to M.G.L. c. 74, § 7 (vocational schools), M.G.L. c. 76, § 12A (Metco receiving districts), § 12B (school choice receiving districts), or c. 71, § 89 (charter schools) shall provide and pay for the special education and related services specified in the approved individual education plan for every student so enrolled whose special education needs can be met in a program operated by the district.

(3) For the purposes of determining the tuition for students within individual education plans under M.G.L. c.76, § 12B, and under any other program for which the Department is required to establish a tuition reflecting the full cost of such services, said tuition shall include:

- (a) the cost of instructional services as calculated pursuant to 603 CMR 10.07(6);
- (b) an allowance for overhead and indirect costs to be published annually by the Department based on the current state average per pupil allotments for non-instructional services in the foundation budget as defined in M.G.L. c.70; and
- (c) actual costs for transportation services required by the student's individual education plan.

(4) State payments to school districts under the special education circuit breaker reimbursement program, so-called (M.G.L. c.71B, s.5A, ) shall be made in accordance with 603 CMR 10.07(5) through 10.07(11). Claims for reimbursement under this program shall be submitted by the district that has financial responsibility under 603 CMR 28.03(4).

(5) Definitions

*Eligible student* shall mean a student eligible for special education services consistent with the requirements of 603 CMR 28.00: *Special Education* and for whom the district has developed an individualized education program (IEP) as defined in 603 CMR 28.02.

*Instructional costs* shall mean the cost to the district of providing services specified on the eligible student's IEP, as calculated pursuant to 603 CMR 10.07 (6) through (8). Instructional costs shall not include transportation, administrative, overhead, evaluation, or service coordination costs, or any costs paid directly or indirectly by third parties.

(6) **Instructional Cost Groups.** The Department shall annually establish pricing standards for each of the following instructional cost groups. Such pricing standards shall be annually increased using the estimated rate of inflation as determined by the Operational Services Division for use in program pricing.

- (a) **Consultation Services:** Any consultation services required by the IEP of the eligible student shall be included for purposes of determining reimbursement eligibility at the group service rate for the type of

service according to the identified cost group.

(b) **General Education Services:** Instructional costs for eligible students may include an allowance for the cost of general education services. Such allowance shall be published annually by the Department based on the current state average per pupil allotments for instructional services in the foundation budget as defined in M.G.L. c 70. No other general education services may be included in the calculation of instructional services for the student. General education services include, but are not limited to, any instructional services provided by the general education teacher(s) responsible for the general education classroom(s) of the school whether or not such teacher's services are identified on the eligible student's IEP.

(c) **Special Education Services Provided by Certified or Licensed staff:** Services specified on the eligible student's IEP and provided by a person with certification or license in his or her professional area or an approved waiver of a teaching certificate in an area of special education. Certification shall meet the requirements of 603 CMR 7.00: *Educator Licensure and Preparation Program Approval* and the requirements for recertification at 603 CMR 44.00: *Educator License Renewal*, as necessary. Such services may include teaching services and services in related service areas of occupational therapy, behavior therapy, speech and language therapy, audiology, physical therapy, or counseling, but shall not include persons holding professional certificates for occupational therapy assistants or physical therapy assistants. Such services may be provided individually or in groups. Such services must comply with the definition of "special education" in 603 CMR 28.02. The additional costs of special educators providing extended day or year services as specified on the eligible student's IEP shall be included in the calculation of individual student instructional cost.

(d) **Specialized Health Care Services:** Services provided in accordance with an eligible student's IEP in the areas of nursing services or individualized services associated with special health care needs. Specialized health care services may be provided individually.

(e) **Other Specialized Services Provided by Professional Staff:** Specialized services provided in accordance with an eligible student's IEP in the areas of music therapy, adaptive physical education, recreation therapy, vision training, home/school facilitation and interpretation for the deaf or hard of hearing. Such services must be provided by professionals trained through an accredited program or through meeting the requirements of their professional organization. Specialized services may be provided individually or in groups. The additional costs of such professional staff providing extended day or year services as specified on the eligible student's IEP shall be included in the calculation of individual student instructional cost.

(f) **Specialized Services Provided by Staff Who Have Received Specialized Training:** Specialized services provided in accordance with an eligible student's IEP that are provided under the supervision of a certified or licensed professional by staff who have been required to participate in specialized training. Examples of such specialized services include the use of applied behavior analysis, mobility training, a job coach, a work experience assistant, a certified occupational therapy assistant, a physical therapy assistant and/or instruction using specialized equipment needed by the student. This cost group includes only services provided by specially trained staff under the supervision of professional staff. Services in this cost group may be provided individually or in groups. The additional costs of such staff providing extended day or year services as specified on the eligible student's IEP shall be included in the calculation of individual student instructional cost.

(g) **Services Provided by Support Staff:** Services provided by support staff under the supervision of a certified or licensed professional in accordance with an eligible student's IEP. This cost group includes services provided by a personal care assistant, a teaching assistant, or an aide. Training provided to staff in this area does not constitute "specialized training" as in 603 CMR 10.07(6)(g) unless such training was required as part of the eligible student's IEP. Services in this cost group may be provided individually or in groups. The additional costs of support staff providing extended day or year services as specified on the eligible student's IEP shall be included in the calculation of individual student instructional cost.

(h) **Supervisory Services:** Supervision of staff in the delivery of services to students according to the student's IEP. Supervisory services eligible for reimbursement under this instructional cost group must be provided by a person with appropriate certification or license in his or her professional area. Supervision must be explicitly identified on the student's IEP, and the supervisor must be readily available to supervise the delivery of services. Administrative supervisory services are not included in this instructional cost group.

(i) **Specialized Equipment:** Equipment purchased for and provided to an eligible student that is specified on the eligible student's IEP and is necessary for the student to benefit from the services on the IEP. The need for such equipment must be documented on the student's IEP and may be considered in the calculated individual student instructional costs in the year of purchase only. Equipment includes, but is not limited to, specialized books or materials and specialized equipment. Equipment does not include the costs of adapting classrooms or materials used by more than one student or the costs of adapting vehicles or buildings.

(7) **Tuition Costs.** If a student is tuitioned to a program outside of the district, 603 CMR 10.07 (6) shall not apply and the instructional cost shall be based on the tuition paid by the district. Program tuition rates shall exclude all transportation costs, and shall not exceed the rates approved by the Operational Services Division if such approval is required.

(8) **Extended Day and Extended Year.** Costs for extended day or extended year services shall be eligible only if such services are specified on the student's IEP, and shall be calculated in accordance with 603 CMR 10.07 (6) or

(7).

(9) **Reimbursement for Individual Districts.** Instructional costs eligible for reimbursement under this program shall be reported by a school district to the Department in a form and manner as prescribed by the Department. The Department may require such reports to include state-assigned student identification numbers (SASIDs) and such other personal identifying information as is needed. The Department shall review reports provided by individual districts and shall approve reported costs that are eligible for reimbursement pursuant to 603 CMR 10.07 within 30 days of the submission by the district, subject to the following requirements:

(a) **Annual Calculation.** Calculation of costs for individual students shall be based on the actual costs of the student's program. Services included in the calculation shall be supported by documentation of the student's IEP and associated student records which shall be kept on-site at the district and made available to the Department or the Department's authorized representative upon request.

(b) **Temporary Absences.** Districts may claim reimbursement for students experiencing temporary changes in the delivery of an IEP program due to illness or temporary absence, provided that such absence does not exceed 20 consecutive school days.

(c) **State Reimbursement.** Subject to appropriation, for each student the state's share shall equal 75% of the prior year's approved instructional costs in excess of four times the full amount of the prior year's state average per pupil foundation budget as defined in M.G.L. c.70 and as set by the Department. For students who have no father, mother, or guardian living in the commonwealth, and for any school age child placed in a school district other than a home town by, or under the auspices of, the department of transitional assistance or the department of social services, the state's share shall equal 100% of the prior year's approved instructional costs in excess of said four times the full amount of the prior year's state average per pupil foundation budget. In the event that appropriations are insufficient to fully fund all reimbursements due under 603 CMR 10.07, the total due to each district shall be prorated by an equal percentage.

(d) **Local Budget Planning.** In preparing a budget recommendation for the subsequent fiscal year for consideration by the local appropriating authority, a school district shall exclude the estimated reimbursement expected to be received under this program.

1. Upon receipt of reimbursements paid under this program, such amounts shall be deposited in the Special Education Reimbursement Fund and recorded as additional appropriations to the school committee and may be spent by the school committee without further action on the part of the local appropriating authority.
2. Reimbursements shall be made by the Department to the school district in four quarterly payments. Reimbursements shall coincide with the distribution of funds made available pursuant to M.G.L. c.70. Each payment shall equal 25% of the estimated annual reimbursement, provided that payments may be adjusted to reflect audit determinations for prior year claims.
3. Reimbursements made by the Department and deposited in the Special Education Reimbursement Fund may carry forward for one fiscal year.
4. Districts can pre-pay tuition crossing fiscal years in accordance with M.G.L. c.71, § 71D and M.G.L. c.40 § 4E.

(10) School districts shall submit such information as the Department requires for the purposes of 603 CMR 10.07, in such form and within the filing deadlines established by the Department.

---

**Disclaimer:**

For an official copy of these regulations, please contact the State House Bookstore, at 617-727-2834 or visit [Massachusetts State Bookstore](#).