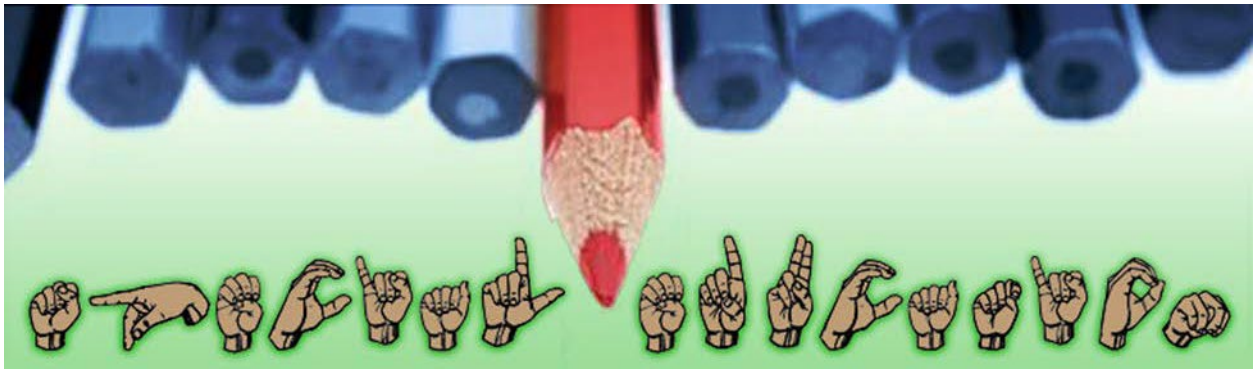
NM Public Education Department

OFFICE OF SPECIAL EDUCATION



High Cost Fund

Puente para los Niños

Guidelines

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I. STATE PLAN—LOCAL EDUCATION AGENCY

A. PURPOSE OF THE HIGH COST FUND

The purpose of the High Cost Fund is to assist Local Education Agencies (LEA) in addressing the needs of high need children with disabilities (excluding gifted-only). The New Mexico Public Education Department (PED) has elected to create a High Cost Fund called Puente para los Niños Fund pursuant to the provisions of 34 C.F.R. § 300.704(c) and 6.31.2.9(B)(5) NMAC.

To receive funds distributed from the Puente para los Niños Fund, an LEA must meet the following requirements: (1) the definition of a high need child with a disability (Section B); and (2) the eligibility criteria (Section C).

Disbursements from the fund may only be used for the costs of providing special education programming and related services directly to the student with high needs. These services must be identified in the student's Individualized Education Program (IEP). Funds cannot be used for services the LEA would like to provide but is not currently providing nor expenses such as legal fees, court costs, or other litigation costs. With the exception of necessary expenses incurred or services provided through an out-of-state residential treatment facility[1], Educational and related services must be provided by individuals properly licensed by the PED and/or the New Mexico Department of Regulation and Licensing pursuant to 6.31.2.9(B)(9) NMAC.

B. DEFINITION OF A HIGH NEEDS CHILD WITH A DISABILITY

1. **Cost Threshold**—The definition of a high need child with a disability is a student whose total cost to provide a Free and Appropriate Public Education (FAPE) is three times greater than the average per pupil cost or greater than $46,143.00. In New Mexico, the average per pupil cost was $15,381.00 in FFY23. FAPE is the legal standard by which LEAs are responsible for developing and implementing an IEP that is reasonably calculated to enable the student's educational progress in consideration of his or her disability-related learning needs.

2. **Financial Impact on LEA Budget**—The cost to provide FAPE to a high needs student with a disability must have a financial impact on the LEA's budget. LEAs applicants must, at a minimum, disclose the percentage of IDEA Part B funds and/or state funds that are expended to cover the cost of serving high needs students.

C. ELIGIBILITY CRITERIA FOR LEA PARTICIPATION

[1]

1. **Documentation of Required Services and Costs**—At a minimum, each LEA requesting assistance from the Puente para los Niños Fund must provide written documentation including the student's IEP and a detailed description of the costs associated in providing direct special education and related services to the student.

2. **Number and Percentage of High Need Students**—Each LEA must identify the number and percentage of high needs students with disabilities served by the LEA.

3. **Carryover Deduction**—If an LEA's application for reimbursement is accepted and an award is determined, carryover funds (if any) that the LEA has not used prior to the application deadline date, will be subtracted from the LEAs final Puente para los Niños award amount. The reduction of the award amount due to remaining carryover funds will be limited to 10 percent of the LEA's prior year grant allocation. All LEA's carryover amounts will be determined as of the application deadline date noted below. It is beneficial for LEAs to ensure that all outstanding Requests for Reimbursement (RfRs) from IDEA B funds be submitted prior to the deadline date to maximize any potential award amount. Federal funds (which are the RfR's funds) are not eligible to be accrued as expenditures for the high cost fund.

4. **Local Charters**—Carryover amounts for local charters applying for an award will be based on a calculated percentage of applicable carryover proportionate to the local charter's percentage of the parent district's Students with Disabilities STARS count (prior year-end count). The calculated percentage shall be limited to the 10 percent carryover reduction described above.

D. LEA ASSURANCES

LEAs accessing the Puente para los Niños Fund must assure the following requirements have been met:

1. **Evaluation**—The student must have been evaluated in accordance with Subsection (C), (D) or (E) of 6.31.2.10 NMAC.

2. **Special Education Eligibility**—The student is determined eligible for special education and/or related services in accordance with Subsections (F) of 6.31.2.10 NMAC.

3. **Current IEP**—The student has a properly constituted and up-to-date IEP in accordance with 6.31.2.11 NMAC.

4. **Placement**—The student's placement was decided by the student's IEP team in

accordance with 6.31.2.11 NMAC.

a. Pursuant to NMAC 6.31.2.9(B)(3)(a), any agreement to place a student in a residential treatment facility or other out of home treatment or habilitation program must be on the form posted on the department's website or on a form otherwise approved by the department and shall be reviewed and approved by the Secretary of Public Education. If approval has not been obtained prior to placement, expenses related to that placement will not be considered for reimbursement.

5. **Least Restrictive Environment**—The student's placement is in the Least Restrictive Environment (LRE) in accordance with Subsection (C) of 6.31.2.11 NMAC.

6. **Local Charter Schools**—Parent districts of local charter schools applying for funds from the Puente para los Niños fund must agree to:
   a. submit a Budget Adjustment Request which includes any funds awarded;
   b. accept the awarded funds on behalf of the local charter school applying for the funds; and
   c. distribute the funds to the local charter school for reimbursements for the costs associated with providing the direct special education and related services identified in the IEP for the student with high needs.

E. PUENTE PARA LOS NIÑOS FUND APPLICATION

LEAs applying for Puente para los Niños funds must complete the PED Application for Approval Form. LEAs must also provide the following supporting documentation:

1. **Student Data**—Number of students meeting the high needs definition in Section B (above) as well as the total special education student enrollment. This information should come directly from the most recent certified enrollment counts submitted to the PED.

2. **Financial Impact**—A narrative describing how the cost of the student with high needs impacted the LEA's budget. LEAs applicants must disclose the percentage of IDEA Part B funds and/or state funds that are expended to cover the cost of serving high needs students.

3. **Service History**—A description of the course of action taken to date by the LEA to serve students with high needs. Be sure to include the number and type of Full Time Equivalent staff (FTEs) affected for each such student.

4. **Expenditures—**The most recent detailed expenditure report showing budgeted and actual year-to- date expenditures for each student with high needs.

5. **Documentation**—Copies of all contracts and invoices that pertain to the student with high needs.

6. **Identifier—**The Prior Written Notice and the Schedule of Services pages from the student's current IEP including the student's unique identifier number.

The application along with the supporting documentation listed above must be received by the Office of Special Education (OSE) **at least two weeks prior to the scheduled Puente para los Niños Committee meeting**. *See* Section II for Puente para los Niños Committee information. Only complete applications will be reviewed by the Puente para los Niños Committee. Incomplete or late applications will NOT be considered for funding. The Committee may request additional documentation and/or information that is not required to be included in the initial application. Such requests will not preclude an application from further review and consideration for funding. LEAs will be notified of the acceptance or rejection within 60 days of the Puente para los Niños Committee meeting. Funds will be distributed according to Subsection F (below).

The Puente para los Niños Committee may grant awards for less than the amount requested. However, the student must still meet the definition of High Needs Student to receive funding from the Puente para los Niños fund. Receipt of Puente para los Niños fund awards in prior years does not guarantee future eligibility.

All Puente para los Niños applications are subject to audit by either the OSE staff and/or federal auditors. The auditors may review and verify the data submitted in the Puente para los Niños applications including assurances made by the LEAs. The auditors will consider whether the IEPs are properly developed and implemented. Additionally, the auditors may verify the percentage of high needs children with disabilities served by an LEA. The results of the auditor's review may be considered by the Puente para los Niños Committee in determining, adjusting, or recovering Puente para los Niños funds.

F. ANNUAL STATE EDUCATION AGENCY (SEA) DISTRIBUTION SCHEDULE

After the LEA or local charter school receives an award letter, the LEA may request reimbursement of these funds in accordance with the PED RfR schedule. If the committee, at its last meeting of the school year, decides that no further amounts will be granted from the Puente para los Niños fund, the OSE will redistribute remaining funds to the LEAs.

G. REPORTING REQUIREMENTS

For auditing purposes, an end of the year report is required by each LEA awarded Puente

para los Niños funds. Reports are due to the OSE Fiscal Team by June 30th of the award year. Reports must include the following information:

1. Student's most current IEP, health plan, and transition plan for students fourteen years old or older;
2. Student's proof of continued enrollment in the LEA during the award year; and
3. Expenditure reports, invoices, and receipts.

Notification in writing must be made to the OSE Fiscal Team within fifteen days, if and when a student with high needs disenrolls from the LEA that received an award from the Puente para los Niños fund for that student. Final RfRs for students who have disenrolled from the LEA must be submitted in the Operating Budget Management System (OBMS) within 30 days from the date of the student's disenrollment from the LEA.

H. ADDITIONAL RESTRICTIONS

1. Funds cannot be used to pay costs that otherwise would be reimbursed as medical assistance under Medicaid. 34 C.F.R. § 300.704(c)(8).

2. Funds from the Puente para los Niños fund shall not be used to pay for legal fees, court costs, or other costs associated with a cause of action brought on behalf of a child with a disability to ensure FAPE for such a child.

II. PUENTE PARA LOS NIÑOS COMMITTEE

The Puente para los Niños Committee recommends approval or disapproval of all Puente para los Niños applications at the committee meetings to the OSE Director. The Committee may request additional documentation or information from the LEA which was not required to be included with the initial application. LEA applicants may attend the Puente para los Niños Committee meetings at times when the LEA's application is being considered by the committee. An LEA representative must sign a confidentiality agreement prior to the LEA attending a committee meeting and meeting minutes must reflect the LEA's participation. The Puente para los Niños Committee may request that a representative of the LEA be available in person or via teleconferencing to answer questions when the LEA's application is being considered. Due to the discussion of personally identifiable information of individual students and the confidential nature of the Puente para los Niños Committee meetings, the meetings will not be open to the public. In addition, Committee members will be required to sign a confidentiality agreement in accordance with the Family Educational Rights and Privacy Act.

A. PUENTE PARA LOS NIÑOS COMMITTEE MEMBERSHIP

1. The Puente para los Niños Committee shall consist of:

a) Four LEA Special Education Directors, including at least one director from a rural district and one director from a charter school.
b) One Member of the IDEA Advisory Panel

2. The OSE Manager of Finance or their designee shall act as Puente para los Niños Committee Manager.

3. The committee members will be appointed by the OSE Director.

4. Members of the committee from the LEAs will be appointed based on their knowledge of special education programing/service delivery, funding, geographical representation, size of LEA, and other demographic considerations.

5. Other LEA Special Education Directors shall be appointed as alternate members of the committee. If a member is unable to attend a committee meeting, the Committee Manager shall request that an alternate member attend the meeting to create a quorum of the committee.

6. Membership appointments shall be made for a period of three years. The OSE Director may appoint new members in the event of a vacancy due to the resignation of a current member or the change in position of a current member. Any member appointment will start a new three year term upon appointment.

B. PUENTE PARA LOS NIÑOS COMMITTEE PROCEDURES

7. All committee members shall sign a confidentiality agreement and an agreement to disclose any and all conflicts of interest related to any applicant LEA, charter school or a high needs student.

8. The Committee Manager shall take attendance in each meeting.

9. The committee will review completed applications provided by the OSE Deputy Director of Data and Finance or their designee.

10. All applications received by the committee will be reviewed for completeness by the Committee Manager or designee. Applications must include all necessary forms, narratives, and attachments as described in Section (I)(E). If applications are not complete or on time, they will not be considered by the committee. The Committee Manager or designee may request information or documentation from the LEA to complete the LEAs application prior to the committee meeting.

11. The Committee Manager or designee will forward to the committee members copies of

each completed application in advance of each meeting.

6. Committee members shall review and discuss the application content for completeness, accuracy, and understanding of the reason(s) for the applicant's need for Puente para los Niños funds.

7. The committee may request that a submitting LEA provide clarifying information or documentation not required to be included in the initial application. If necessary, the committee may reconvene a meeting to discuss and vote to approve or deny an application requiring supplemental information or documentation.

8. A quorum of the committee consists of at least a majority of the total membership.

9. Committee members will vote to recommend acceptance, partial acceptance, or denial of each application to the OSE Director. Committee members may abstain from any vote.

10. A majority vote by the committee members voting will be sufficient to take committee action.

11. The Committee Manager or designee will ensure that notes are taken which summarize the questions and discussion related to each application. A decision summary for each application shall include the amount of the initial request, funding adjustments recommended by the committee, the amount of any award to be made, the reasons for the action taken by the committee and identify the award amounts related to the specific services.

12. All committee members shall sign the decision summary (electronic signatures are sufficient to meet this requirement).

13. The Committee Manager or designee, on behalf of the committee, will notify the applicant LEA and/or local charter school in writing of the determination of the committee. The LEA and/or local charter school will be provided a copy of the decision summary.

14. All applications received by the committee will be retained by the OSE Director for Data and Finance for use in the evaluation of Puente para los Niños funding.

C. PUENTE PARA LOS NIÑOS COMMITTEE ACTIONS

15. The committee must determine that:

    a) There are no unresolved audit issues related to applicant that are material in nature;

b) There are no unresolved child count verification issues related to the applicant which are material in nature (i.e., unreliable data in annual determination); and

c) All corrections to state enrollment reporting required for resolution of a) and b) of this subsection have been completed in a timely manner.

2. The amount of the approval may be equal to or less than the amount requested.

a) Any carryover funds not expensed prior to the application deadline will be deducted from the final Puente para los Niños award as based upon the percentages listed in Section (I)(C) in the guidelines.

3. The approval of the application may be contingent on additional requirements imposed by the committee or the OSE Director such as the development of an improvement plan to resolve a specific issue or concern.

4. The application awards are subject to adjustment and recovery.

5. Funds awarded to LEAs shall remain available until June 30 of the following fiscal year after the award of funds is made.

D. PUENTE PARA LOS NIÑOS COMMITTEE DEADLINES AND MEETING DATES

Application Deadline	Puente para los Niños Committee Meeting	LEA Notification
January 31, 2027	February 15, 2027	April 30, 2027

NOTE: Completed applications must be received at the OSE by 5:00 pm on the application deadline listed above. Applications must be sent electronically. Applications sent via regular mail or facsimile **will not** be accepted. Please contact the OSE Financial Coordinator at the email address or phone number below to arrange for electronic submission of the application and confidential student records.

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