

September 16, 2016

TO THE ADMINISTRATOR ADDRESSED:

SUBJECT: School Health and Related Services (SHARS) Reporting Requirement

This letter describes a reporting requirement applicable to local educational agencies (LEAs) and fiscal agents that received or administered funds awarded through the Individuals with Disabilities Education Act, Part B (IDEA-B) grant program for the 2015–2016 school year.

To conduct IDEA-B LEA maintenance of effort (MOE) compliance reviews, TEA must know how LEAs and fiscal agents expended any reimbursements they received under the School Health and Related Services (SHARS) program.

All LEAs that received IDEA-B grant funding in the 2015–2016 school year must therefore submit the SHARS Reimbursement Report form, regardless of whether they received SHARS reimbursements.

The SHARS Reimbursement Report form is available from the GFFC Reports and Data Collections application. The deadline for submitting the form is October 31, 2016.

SHARS and IDEA-B LEA MOE

The SHARS program allows Texas LEAs to request Medicaid reimbursement for certain health-related services provided to students with disabilities.

In accordance with Title 34 of the Code of Federal Regulations (34 CFR) §300.154(g)(2), if an LEA spends SHARS reimbursements for state and local expenditures for special education services, those **subsequent** expenditures must be excluded for IDEA-B LEA MOE purposes from the final calculation of state and local expenditures.

SHARS Reimbursement Report Form

The SHARS Reimbursement Report form is available from the GFFC Reports and Data Collections application. To complete the form, you must select the option that is applicable to school year 2015–2016:

- Option 1: The LEA did not participate in the SHARS Medicaid program and thus did not receive any SHARS Medicaid reimbursements to expend again in state and local expenditures for special education services.
- Option 2: The LEA received SHARS Medicaid reimbursements but did not expend any of the reimbursements in state and local expenditures for special education services.
- Option 3: The LEA received SHARS Medicaid reimbursements and made subsequent expenditures with the reimbursements in state and local expenditures for special education services.

If option 3 applies to you, you must report the total amount of your subsequent state and local expenditures for special education services. The total must include the amount expended by your LEA. If you participate in a Shared Services Arrangement (SSA), the total must also include the amount the fiscal agent expended on behalf of your LEA.

TEA will use the information you report in conducting fiscal year 2016 IDEA-B LEA MOE compliance reviews. The reviews will be made available in spring 2017.

Validation

You should maintain the supporting documentation that was used to support the amounts you are reporting. LEAs may be required to submit the supporting documentation to TEA in a validation process.

Reporting Deadline

LEAs that received IDEA-B federal grant funding in the 2015–2016 school year must submit the SHARS Reimbursement Report form by October 31, 2016.

Form Availability and Submission

The SHARS Reimbursement Report form is available through the GFFC Reports and Data Collections application. The form must also be submitted through that application, as follows:

- Log on to TEASE/TEAL.
- Select “GFFC Reports and Data Collections.”
- Select “Download Response Documents” to download the form.
- Select “Upload Response Documents” to submit the form.
- From the Report Title drop-down menu, select “SHARS for IDEA-B LEA MOE.”
- From the School Year drop-down menu, select “2015–2016.”
- From the Response Doc Type, select “Response Document.”
- Select “Browse” to locate your completed, signed, and scanned form.
- Select “Upload Document.”

Potential Consequences of Failing to Comply

If you do not submit the SHARS Reimbursement Report form by the October 31, 2016, deadline, then TEA may apply one or more of the following enforcement actions in accordance with 2 CFR §200.338:

- Temporarily withhold cash payments pending correction of the deficiency or more severe enforcement action.
- Disallow all or part of the cost of an activity or action not in compliance.
- Wholly or partly suspend or terminate the federal award.
- Initiate suspension or debarment proceedings.
- Withhold further federal awards for the program.
- Take other remedies that may be legally available.

For Further Information

The [IDEA-B LEA Maintenance of Effort](#) page of the TEA website provides a link to SHARS guidance and to the IDEA-B LEA MOE Guidance Handbook. These resources describe requirements related to SHARS and IDEA-B LEA MOE.

If you have further questions about the SHARS reporting requirement, please contact the Federal Fiscal Compliance and Reporting Division at (512) 463-9127 or by e-mail at compliance@tea.texas.gov.

Sincerely,

Ed Santiago, Senior Director
Federal Fiscal Compliance and Reporting Division