



Dear District Point of Contact:

As we head into another school year, we wanted to provide additional information dealing with the implementation of ESSA foster care provisions. Some of the biggest changes in previous guidance focus on how additional costs are calculated, who is responsible for those costs, how DHS' share of the costs are calculated, and what costs can the district seek Chapter IV-E transportation reimbursement. In the 2017-18 school year, the district will be able to seek Chapter IV-E transportation reimbursement for contiguous, non-contiguous, and out of state foster care placements.

Another important change centers on responsibility for transportation costs. Only DHS and the district of origin are financially responsible for non-contiguous and out of state foster care placements and only the district of origin is responsible for contiguous foster care placements. Starting in 2017-18, DHS' financial obligation for additional costs of transportation shall not exceed the lesser of actual daily transportation costs incurred by the district of origin or the maximum daily rate. The maximum daily rate is calculated by formula using information listed on the most recent year's "Annual Transportation Data for Iowa Public Schools". The maximum daily rate equals the "State Average Cost per Pupil Transported" multiplied by 15 and divided by 180 school days. The current maximum daily rate for non-contiguous foster care placements is \$51.07/day. The current maximum daily rate for out of state foster care placements is \$68.08/day. This rate will be updated every January to the most current rate. On a case-by-case basis, the DE and DHS State level POCs can, through agreement, increase the maximum daily rate DHS is responsible for when the transportation situation warrants greater costs above those that would typically be expected.

The final change that needs to be mentioned is how additional costs are calculated. In order to determine the additional cost for transportation by van or car, the trip mileage between the district of origin's established pickup/drop off location on their regular bus route and the location of the foster care placement will be used to calculate the transportation costs. This trip mileage will then be multiplied by the number of one way trips per billing cycle and then multiplied by the current federal tax code standard mileage rate to arrive at a mileage cost amount. The current standard mileage rate for 2017 is \$.535/mile. This rate will be updated every January to the most current rate. In addition to the mileage cost amount, an hourly amount of staff time used for the drive between the district of origin's established pickup/drop off location on their regular bus route and the location of the foster care placement to the closest 15 minute increment will be used to calculate the mileage costs. The hourly staff time needed to drive the additional miles will be multiplied by the staff member's hourly salary and benefits and then multiplied by the number of one way trips per billing cycle to arrive at a staff time cost amount. The total additional cost for transportation by van or car during this billing cycle would equal the sum of the mileage cost amount and the staff time cost amount.

In order to determine the additional cost for transportation by yellow bus, the trip mileage between the district of origin's established pickup/drop off location on their regular bus route and the location of the foster care placement will be used to calculate the transportation costs. This trip mileage will be multiplied by the number of one way trips per billing cycle and then multiplied by the district of origin's current average cost per mile amount listed in the Annual Transportation Report to arrive at a mileage cost amount. This rate can be found at <https://www.educateiowa.gov/documents/miscellaneous-information/2016/12/2015-2016-annual-transportation-data-iowa-public-schools>.

In order to determine the additional cost for transportation by care provider or family member, the trip mileage between the school of origin and the location of the foster care placement will be used to calculate the transportation costs. This trip mileage will then be multiplied by the number of one way trips per billing cycle and then multiplied by the current federal tax code standard mileage rate to arrive at a mileage cost amount. The current standard mileage rate for 2017 is \$.535/mile. This rate will be updated every January to the most current rate.

In order to determine the additional cost for transportation by public/contracted transportation, the daily cost to use the public/contracted transportation system. This daily cost will then be multiplied by the number of days the student was actually transported to arrive at a public/contracted transportation cost for the billing cycle. This amount will be considered the additional cost for using public/contracted transportation during the billing cycle.

An updated Memorandum of Agreement (MOA), which includes guidance changes from the previous year, is attached to this email for districts to sign. As you will notice, DHS has already signed the MOA. After the district signs the MOA, a copy of the signed document needs to be kept in the district offices and in the office of the district point of contact. In addition, local DHS may request a copy of the signed agreement. If they do, the district should provide them with the updated copy. In the near future, each district point of contact (POC) will be granted access to the updated ESSA foster care guidance manual, point of contact list, and the ESSA foster care transportation reimbursement claim form.

Also, please review your district's POC information for accuracy. If a change needs to be made, please update your district's POC contact information as soon as possible. We recommend moving forward no district superintendent be named the district's primary point of contact. If the superintendent needs to act as a secondary point of contact during times when the primary contact is unavailable, that would be acceptable.

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