



## DoDEA ADMINISTRATIVE INSTRUCTION 1325.01

### DEPARTMENT OF DEFENSE IMPACT AID PROGRAM FOR LOCAL EDUCATIONAL AGENCIES

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**Originating Division:** Education Partnership and Resources Division

**Effective:** May 11, 2018

**Releasability:** Cleared for public release. Available on the DoDEA Policy Website.

**Incorporates:** DoD Instruction 1342.18, "Financial Assistance to Local Education Agencies (LEAs)," February 6, 2006

**Approved by:** Thomas M. Brady, Director

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**Purpose:** In accordance with Sections 7703a and 7703b of Title 20, United States Code, this Issuance establishes policy, assigns responsibilities, and provides procedures for providing DoD Impact Aid to local educational agencies (LEAs) by the Department of Defense Education Activity (DoDEA).

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## SECTION 1: GENERAL ISSUANCE INFORMATION

**1.1. APPLICABILITY.** This Issuance applies to the Office of the Director, DoDEA; the Principal Deputy Director and Associate Director for Academics, DoDEA; the Associate Director for Financial and Business Operations, DoDEA; the Chief of Staff, DoDEA; the Director for Student Excellence, DoDEA Americas/Associate Director for Performance and Accountability (formerly the Director, Domestic Dependent Elementary and Secondary Schools, and Department of Defense Dependents Schools, Cuba (DDESS/DoDDS-Cuba)); the Director for Student Excellence, DoDEA Europe (formerly the Director, Department of Defense Dependents Schools, Europe (DoDDS-E)); the Director for Student Excellence, DoDEA Pacific (formerly the Director, Department of Defense Dependents Schools, Pacific, and Domestic Dependent Elementary and Secondary Schools, Guam (DoDDS-P/DDESS-Guam)); (referred to collectively in this Issuance as "DoDEA Region Directors for Student Excellence"); and all DoDEA region, district, community, and school leaders and support staff.

**1.2. POLICY.** In accordance with Sections 7703a and 7703b of Title 20, United States Code., when funds are appropriated, DoDEA will administer the DoD Impact Aid as follows:

- a. Coordinate payments to eligible LEAs that provide services to military dependent students with severe disabilities.
- b. Coordinate payments to eligible LEAs that serve a significant number of military dependent students.
- c. Coordinate payments to eligible LEAs with changes in enrollment of military dependent students due to base closures, force structure changes, or forced relocations.

**1.3. INFORMATION COLLECTION.** This Issuance may result in the collection of information due to its policy and procedures. Any collection of information must follow all applicable Federal, DoD, and DoDEA regulations, policies, and guidance.

## SECTION 2: RESPONSIBILITIES

**2.1. DODEA DIRECTOR.** The DoDEA Director, or designee:

- a. Monitors compliance with this Issuance and the requirements of Sections 7703a and 7703b of Title 20, United States Code.
- b. Appoints the DoDEA Chief of Education Partnership and Resources and DoDEA Chief of Resource Management to ensure compliance with this Issuance.

**2.2. DODEA PRINCIPAL DEPUTY DIRECTOR AND ASSOCIATE DIRECTOR FOR ACADEMICS.** The DoDEA Principal Deputy Director and Associate Director for Academics monitors compliance with this Issuance and the requirements of Sections 7703a and 7703b of Title 20, United States Code.

**2.3. DODEA ASSOCIATE DIRECTOR FOR FINANCIAL AND BUSINESS OPERATIONS.** The Associate Director for Financial and Business Operations (F&BO) monitors compliance with this Issuance and the requirements of Sections 7703a and 7703b of Title 20, United States Code.

**2.4. DODEA CHIEF, EDUCATION PARTNERSHIP AND RESOURCES DIVISION.** The DoDEA Chief, Education Partnership and Resources:

- a. Ensures compliance with this Issuance.
- b. Establishes and administers policy and procedures to:
  - (1) Determines the eligibility of LEAs for DoD Impact Aid pursuant to Sections 7703a and 7703b of Title 20, United States Code.
  - (2) Electronically notifies LEAs of their eligibility for DoD Impact Aid for Children with Severe Disabilities.
  - (3) Coordinates timely DoD Impact Aid for Children with Severe Disabilities payments to LEAs.
- c. Confers with the Secretary of Education to obtain data provided by LEAs to the U.S. Department of Education (ED) in accordance with Section 7703 of Title 20, United States Code.
- d. Follows the guidance in Section 3 of this Issuance when handling DoD Impact Aid matters.
- e. Issues additional guidance to implement the DoD Impact Aid Programs, as needed.

**2.5. DODEA CHIEF, RESOURCE MANAGEMENT.** The DoDEA Chief, Resource Management:

- a. Ensures compliance with this Issuance.
- b. Notifies LEAs of their payment total for DoD Impact Aid Supplemental and DoD Impact Aid for Large Scale Rebasings.
- c. Authorizes the obligation of funds to allow the Defense Finance and Accounting Services to make DoD Impact Aid payments to LEAs.

## SECTION 3: DOD IMPACT AID PROGRAM GUIDANCE

### 3.1. GENERAL ADMINISTRATIVE REQUIREMENTS.

a. Only LEAs eligible for Federal Impact Aid in accordance with Section 7703 of Title 20, United States Code are eligible for one (1) or more of the three (3) independent DoD Impact Aid Programs described in Sections 3.2. through 3.4., of this Issuance.

b. The ED annually provides LEA data to the DoDEA to determine eligibility for Federal Impact Aid. The data provided by ED includes:

- (1) Students' residence (on or off federal property).
- (2) The average daily attendance (ADA) figures for each LEA.
- (3) The number of military dependent students with disabilities who are in attendance at each LEA.
- (4) The LEAs with at least twenty percent (20%) enrollment of military dependent students, and data on State and national average per pupil costs.
- (5) Contact information for each LEA.

c. The Chief, Resource Management will authorize the obligation of funds for the Defense Finance and Accounting Services to make payments to LEAs.

d. DoDEA will comply with all applicable provisions in accordance with Sections 7703a and 7703b of Title 20, United States Code, in providing payments to LEAs when funds are appropriated specifically for making such payments for that fiscal year (FY).

### 3.2. DOD IMPACT AID FOR CHILDREN WITH SEVERE DISABILITIES. In accordance with Section 7703a of Title 20, United States Code:

a. DoDEA, after receiving the ED data described in Section 3.1.b. of this Issuance, will notify each LEA identified by ED as having military dependent students with disabilities. The notice will:

(1) Invite each LEA to complete the Secretary of Defense (SD) Form 816, "Application for Department of Defense Impact Aid for Children with Severe Disabilities for School Year 20xx-20xx," and, if appropriate, SD Form 816C, "Application for Department of Defense Impact Aid for Children with Severe Disabilities for School Year 20xx-20xx (Continuation Sheet)." Both forms can be located on the Executive Services Directorate's DoD Forms Management Program webpage at [http://www.esd.whs.mil/Directives/forms/sd\\_forms](http://www.esd.whs.mil/Directives/forms/sd_forms).

(2) Provide guidelines for completing required forms.

(3) Inform the LEA that DoDEA will make an appropriate award of DoD Impact Aid for Children with Severe Disabilities upon receiving the forms and determining that the LEA is eligible for an award.

b. An LEA is eligible for DoD Impact Aid for Children with Severe Disabilities if the LEA:

(1) Provides a free appropriate public education (FAPE) to two (2) or more military dependent students with severe disabilities.

(2) Incurs individual costs for providing FAPE for military dependent students with severe disabilities that exceeds either:

(a) Five (5) times the State or national average per pupil expenditure (whichever is lower) for a special education program that is located outside the boundaries of the school district of the LEA that pays for the FAPE of the student; or

(b) Three (3) times the State average per pupil expenditure for a special education program offered by the LEA or within the boundaries of the school district served by the LEA.

c. DoDEA will coordinate payments of DoD Impact Aid for Children with Severe Disabilities to an eligible LEA, as described in Section 3.2.b. of this Issuance. Payment will be made on behalf of each military dependent student with a severe disability in the amount of the LEA's actual expenditure to provide the child with a FAPE, less the sum of:

(1) The average per pupil expenditure in the LEA.

(2) The amount of funds received by the LEA from:

(a) State-provided financial assistance to defray the costs of providing educational and related services to the child, according to data provided by ED.

(b) Financial assistance provided in accordance with Chapter 33 of Title 20, United States Code, according to data provided by ED.

(c) Financial assistance provided from any other source to defray the costs of providing educational and related services to the child, which are received due to the presence of a severely disabling condition of the child, according to data provided by the LEA.

d. If the funds available to DoDEA for a FY are insufficient to pay the full amount of DoD Impact Aid for Children with Severe Disabilities that each LEA is eligible to receive, DoDEA will reduce the amount each LEA is eligible to receive, by a pro-rata amount (i.e., equal percentage) payable under this section to all LEAs and calculated by:

(1) Converting to a percentage the ratio between the total amount of the Federal appropriation available for the DoD Impact Aid for Children with Severe Disabilities and the total amount of benefits that each LEA is determined eligible to receive.

(2) Multiplying the percentage by the amount of benefits each LEA is determined eligible to receive, to determine the pro-rata allocation of the available funds for DoDEA distribution of DoD Impact Aid for Children with Severe Disabilities to each LEA in Section 3.2.b. of this Issuance.

**3.3. DOD IMPACT AID SUPPLEMENTAL.** In Accordance with Section 7703b (a) of Title 20, United States Code:

a. LEAs are eligible for the DoD Impact Aid Supplemental during a FY if at least twenty percent (20 %) (rounded to the nearest whole percent) of students in ADA during the previous school year were military or DoD civilian dependents according to the ED data described in Section 3.1.b. of this Issuance.

b. The ED provides DoDEA with a list of the LEAs that meet the twenty percent (20 %) threshold. DoDEA will notify eligible LEAs, no later than June 30th of each FY, of the steps the LEA must take to obtain this assistance, and of the amount of assistance they are eligible to receive by:

(1) Determining the per pupil rate for each military dependent student in ADA, as reported under Section 3.1.b., of this Issuance by:

(a) Multiplying the total number of military dependent students in ADA residing on Federal property by five (5).

(b) Adding to the number determined by Section 3.3.b.(1)(a) of this Issuance, the number of military dependent students in ADA not residing on Federal property.

(c) Dividing the total appropriation made available for DoD Supplemental Impact Aid for LEAs heavily impacted by military children by the sum of Sections 3.3.b.(1)(a)-(b) of this Issuance, to determine the per pupil amount a LEA is eligible to receive from DoD for each of its military dependent students in ADA.

(2) Determining the amount DoDEA will pay to each qualifying LEA by:

(a) Multiplying the per pupil amount determined in Section 3.3.b.(1)(c) of this Issuance by the number of military dependent students in ADA who are residing on Federal property, and then multiplying that result by five (5) to determine the amounts payable for military dependent students in ADA residing on Federal property.

(b) Multiplying the per pupil amount determined in Section 3.3.b.(1)(c) of this Issuance by the number of military dependent students in ADA who are not residing on Federal property.

(c) Adding the amounts determined in Sections 3.3.b.(2) of this Issuance to determine the amount DoDEA will distribute to the LEA.

**3.4. DOD IMPACT AID FOR LARGE SCALE REBASING.** In accordance with Section 7703b (b) of Title 20, United States Code:

a. An LEA is eligible for DoD Impact Aid for Large Scale Rebasings if the LEA meets the following requirements:

(1) Is eligible for the DoD Impact Aid Supplemental under Section 3.3., of this Issuance for the same FY, or would have been eligible for such assistance if not for a reduction as described in Section 3.4.(2).

(2) Had an overall increase or reduction of a minimum of five percent (5%) in the ADA of military dependent students in the schools of the LEA, or a minimum of two hundred and fifty (250) military dependent students in ADA in the schools of the LEA, during the school year preceding the FY for which the Impact Aid for Large Scale Rebasings is appropriated. Such reduction or increase must also be the result of one or more of the following:

- (a) Global rebasing plan of the DoD.
- (b) Activation of one or more new military units.
- (c) The realignment of forces as a result of the base closure process.
- (d) Changes to the number of housing units available on a military installation.

b. DoDEA will notify eligible LEAs, no later than June 30th of each FY, of the action each must take to obtain this assistance and the amount of assistance they are eligible to receive.

c. DoDEA will coordinate payments of DoD Impact Aid for Large Scale Rebasings under Section 3.4., of this Issuance. The amount distributed will be equal to the product obtained by multiplying the per-student rate for an FY, as determined by Section 3.4.a.(2) of this Issuance, by the net of the overall increases and reductions in the number of military dependent students of a LEA. The per-student rate for an FY will be equal to the dollar amount obtained by:

(1) Dividing the total amount of funds made available to DoD for a FY for the DoD Impact Aid Program for Large Scale Rebasings, by the sum of the overall increases and reductions in the number of military dependent students in schools of all LEAs eligible for DoD Impact Aid for that FY, as determined pursuant to Section 3.1., of this Issuance.

(2) Multiplying the amount determined by Section 3.4.c.(1) of this Issuance by the net of the overall increase or reduction in the number of military dependent students in each LEA.

d. No LEA may receive more than \$1,000,000 in DoD Impact Aid for Large Scale Rebasings for any FY. If an LEA qualifies for an amount in excess of the maximum available amount of \$1,000,000, the amount that exceeds the maximum will be added to the pool of available funds and prorated among LEAs whose benefit is less than the maximum.

## GLOSSARY

### G.1. ACRONYMS.

ADA	average daily attendance
ED	U.S. Department of Education
F&BO	Financial and Business Operations
FAPE	free appropriate public education
FY	fiscal year
LEA	local educational agency
SD	Secretary of Defense

**G.2. DEFINITIONS.** Unless otherwise noted, these terms and their definitions are for the purpose of this Issuance.

**ADA.** The aggregate number of days in attendance of all students during a school year; divided by the number of days school is in session during that year.

**average per pupil expenditure.** The aggregate current expenditures of all LEAs in the State; divided by the total number of children in ADA for whom such agencies provided free public education.

**child with a disability (or children (students) with disabilities).** Defined in Section 1401(3) of Title 20, United States Code.

**children (students) with severe disabilities.** Children whose disabilities involve extensive mental, physical, or behavioral impairment, or a combination of multiple impairments, likely to be permanent in nature and greatly compromising an individual's ability to function independently in the community, perform self-care, or obtain employment, in accordance with State rules implementing the Individuals with Disabilities Education Act, applied to the States through Part 300 of Title 34, Code of Federal Regulations, and for whom the LEA is providing more special education and related services than are provided for children with mild and moderate disabilities in special education programs.

**DoD Impact Aid Program.** The DoD Impact Aid Program includes: DoD Impact Aid for Children with Severe Disabilities, under Section 3.2., of this Issuance, DoD Impact Aid Supplemental, under Section 3.3., of this Issuance, and DoD Impact Aid for Large Scale Rebasing, under Section 3.4., of this Issuance.

**free appropriate public education.** Defined in Section 1401(9) of Title 20, United States Code.

**Federal Impact Aid Program.** Pursuant to Section 7703 of Title 20, United States Code, the Federal Impact Aid Program is administered by the ED and provides financial assistance to local school districts.

The financial assistance compensates LEAs for lost local revenues due to tax exempt federal property and increased expenditures that school districts incur on behalf of federally connected children.

The federal assistance applies to school districts with concentrations of children residing on Indian lands, military installations, low-rent housing properties, or other Federal properties and, to a lesser extent, children who have parents in the uniformed services or are employed on eligible Federal properties but do not live on Federal property.

**federal property.** Property that is not subject to taxation by any State or any political subdivision of a State due to Federal agreement, law, or policy, and that is owned by or leased from another entity by the DoD, including the uniformed services.

**local educational agency.** Defined in Section 7713(9) of Title 20, United States Code.

**military dependent student.** For purposes of DoD financial assistance for children with severe disabilities under Section 3.2., of this Issuance, students in ADA in the LEA, and for whom the LEA provided a FAPE during the preceding school year and who, while in attendance at the LEA one of the following applied:

Resided on Federal property with a parent who is an official of, and accredited by, a foreign government and is a foreign military officer.

Resided on Federal property and had a parent on active duty in the uniformed services.

Had a parent on active duty in the uniformed services but did not reside on Federal property.

Had a parent who is an official of, and has been accredited by, a foreign government and is a foreign military officer but did not reside on Federal property.

For purposes of DoD Impact Aid Supplemental and Large Scale Rebased, under Sections 3.3 and 3.4., of this Issuance, elementary and secondary school students who were dependents of members of the uniformed services or dependents of DoD civilian employees and were in ADA at an LEA, and for whom the LEA provided free public education, during the preceding school year and who, while in attendance at the LEA, resided either:

On Federal property with a parent employed on Federal property situated in whole or in part within the boundaries of the school district of such LEA other Federal property; or

Off Federal property with a parent employed on Federal property situated in whole or in part in the county in which such agency is located, or in whole or in part in such agency if such agency is located in more than one county; or if not in such county, in whole or in part in the same State as such agency.

**uniformed services.** The Army, Navy, Air Force, Marine Corps, Coast Guard, National Oceanic and Atmospheric Administration, and Public Health Service.

## **REFERENCES**

Code of Federal Regulations, Title 34, Part 300

SD Form 816, “Application for Department of Defense Impact Aid for Children with Severe Disabilities for School Year 20\_\_-20\_\_,” April 30, 2017

SD Form 816C, “Application for Department of Defense Impact Aid for Children with Severe Disabilities for School Year 20\_\_-20\_\_, (Continuation Sheet)” April 30, 2017

United States Code, Title 20