



MEMORANDUM

TO: Charter School Directors

FROM: Morgan Brown
Assistant Commissioner

DATE: June 4, 2009

SUBJECT: Transporting special education students attending charter schools outside their district of residence.

The Minnesota Department of Education (MDE) has been asked to review the issue of students requiring special education transportation who attend charter schools located outside the students' resident district.

For purposes of providing special education, charter schools are deemed a school district under Minnesota Statute § 124D.10, Subd. 12, and therefore must comply with Minnesota statutes relating to the provision of a free appropriate public education (FAPE), including related services. Minnesota Statute 125A.08 (a) (1). Transportation is deemed a "related service" as defined by Federal Regulation in 34 C.F.R. § 300.34 (c) (16), if an individual education plan (IEP) team determines specialized transportation is necessary for a student to receive FAPE.

Minnesota Statute § 124D.10, Subd. 16, outlines two transportation options for charter schools. Charter schools may elect to provide their own transportation and receive 4.85% of the general education basic formula allowance and the sparsity per pupil revenue of the district in which the charter school is located. The charter school is not required to provide or pay for transportation beyond the borders of the district in which it is located, but may reimburse families for their transportation costs if the family's income is below the poverty level as determined by the federal government.

Under Minn. Stat. § 124D.10, Subd. 16, charter schools also may elect to have transportation provided by the district in which the charter school is located. In these circumstances, the district is not required to transport any students who live outside its boundaries. To cover the costs of providing transportation for the charter school, the district receives an adjustment to their general education revenue for the amount the charter school would have received if they had opted to provide their own transportation.

As a result, when the charter school defers its transportation obligation to the district in which the charter school is located, this district has no statutory obligation to provide or pay for the transportation of students requiring special education-related service transportation for students residing outside its boundaries. Therefore, it is the responsibility of the charter school to provide or pay for transportation as necessary.

Under Uniform Financial Accounting and Reporting Standards (UFARS) Finance Code 723, charter schools may claim the transportation costs of transporting students who reside outside the district in which the charter school is located and have special education transportation accommodations or adaptations identified in their IEPs. The charter school would receive additional funding for providing special education transportation through the Special Education Aid Entitlement. Any additional costs not covered by the Special Education Aid Entitlement formula would be billed back to the student's resident district through the MDE Tuition Billing System.

It is important that the student's Minnesota Automated Reporting Student System (MARSS) enrollment record be reported correctly. In this case, the student's "transporting district" would be the charter school, the transportation category would be 03-Disabled and the "resident district" would be the district in which the student resides.

This interpretation does not impact transportation requirements for students who require special education-related service transportation and who exercise open enrollment options to a nonresident district.

If you have any additional questions, please contact Kelly Wosika, Division of Program Finance, Transportation Reporting at 651-582-8855.