



State of New Jersey

DEPARTMENT OF EDUCATION

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June 20, 2012

TO: Chief School Administrator
Charter School Lead Person
State Agency IDEA, Part B Project Director

Please distribute the enclosed information to the individual responsible for completion of the IDEA grant online.

FROM: Peggy McDonald, Director
Office of Special Education

SUBJECT: Individuals with Disabilities Education Improvement Act of 2004 (IDEA 2004)
FY 2013 Entitlement Allocations and Electronic Application Information

IDEA 2013 Application Information

This is to provide you with information on your IDEA allocations and application. The district allocations are now located at <http://www.nj.gov/education/specialed/fund/>. The Basic and Preschool allocations are distributed on a formula basis to local education agencies (LEAs). A detailed description of the allocations can be found on the Allocation Pages of the online grant application. Eligible agencies may use these amounts to plan for the use of the funds.

The electronic online system has moved to a new vehicle this year. The New Jersey Department of Education will now be part of the **System for Administering Grants Electronically (SAGE)**, a statewide application designed to create coordination between all departments and agencies within the state related to grant applications. At this time, it is anticipated that the FY2013 IDEA Application will be available towards the end of July. **The due date for submission of the FY 2013 IDEA Application will be 45 days from the day the application is available for completion.**

Initial training in the new system is anticipated to be through webinars in late July. Your agency will be notified of these seminars through the broadcast system. Since this will be the first time the SAGE system will be used for this application, it is imperative that the eligible agencies participate in these seminars.

Basic Allocations (ages 3-21) – The state IDEA - Part B Basic Grant is slightly less than 2012 and there are fewer unexpended state level funds to supplement the awards. In addition, the amounts available for the Census and Poverty factors are being distributed across an increased number of children. As a result, many LEAs and state agencies will notice reductions in this allocation.

Preschool Allocations (ages 3-5) - The state IDEA - Part B Preschool Grant is level funded. The amounts available for the Census and Poverty factors are being distributed across an increased number of children. As a result, many LEAs and state agencies will notice reductions in this allocation. It is anticipated that LEAs will continue to experience fluctuations in the entitlement award on a yearly basis if the federal Preschool Allocation remains at this level or is further reduced. LEAs may offset reductions in the Preschool Grant by funding activities for students ages 3-5 in the Basic Grant.

Information on Sequestration - Sequestration, as defined by the Congressional Budget Office, is an enforcement mechanism by which the President orders the cancellation of budgetary resources in amounts sufficient to eliminate a deficit. In this case, a *budget sequester* is when funds that would otherwise be spent under current law are reserved and are used instead for deficit reduction. The Budget Control Act is comprised of two possible illustrations under which federal spending could be sequestered.

1. **Deficit reduction sequester** is a result of the failure to enact legislation that reduces the budget deficit by at least 1.2 trillion dollars over the next ten years which would begin January 3, 2013. The deficit reduction sequester affects all non-exempt (not mandatory) federal programs with equal savings coming from defense spending and non-defense spending.
2. **Discretionary sequester** is a result of Congress exceeding any of the annual discretionary spending caps set by the Budget Control Act. If this were to occur, all non-exempt discretionary programs would be sequestered in the present fiscal year by an equal amount sufficient to reduce total appropriations to the cap specified in the Budget Control Act.

If the Joint Select Committee does not report a reduction in the budget deficit and Congress has not enacted legislation to reduce the budget deficit by more than 1.2 trillion dollars, then the Budget Control Act goes into effect on January 3, 2013. This means that New Jersey's federal funds for 2013 may be reduced by up to 9 percent. The LEAs are strongly advised to plan recognizing that reductions may occur in January. If sequestration does occur, OSE will revise FY 2013 allocations and proceed to decrease funding from the LEAs. The LEAs will be notified as soon as information regarding sequestration is available.

The FY 2013 IDEA project period is September 1, 2012 through August 31, 2013. Additional information regarding implementation of the SAGE system will be made available throughout the application process.

If you have any questions regarding the application process, please direct inquiries to your county supervisor of child study or Ms. Patricia Holcomb-Gray in the Office of Special Education, at 609-984-4953.

Thank you for your attention to this matter.

PMD/PHG/KE

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