Procedure 27
Reporting Students Placed for Day Treatment

Data Elements:  
- Membership Days  
- Transportation Category  
- Transporting District  
- Percent Enrolled  
- State Aid Category  
- Resident District Number

Students placed for day treatment are those who have been placed by the courts, a medical authority, parents or their Individualized Education Program (IEP) to some type of treatment program. Students are considered to be in a day treatment program if they are not living in the facility in which the treatment is provided. Examples of day treatment are:

1. Students who live at home with their parent(s) and are transported to a day treatment program at which they receive required services per Minnesota Statutes, sections 125A.51 or 125A.15, or
2. Students who are living in a children’s residential facility or foster home and are transported to a day treatment program at which they receive required services per Minnesota Statutes, sections 125A.51 or 125A.15.

Definitions

Determining Resident District

The district where the student’s parent or legal guardian resides is the resident district. Refer to Minnesota Automated Reporting Student System (MARSS) Manual Appendices K and K-1 for assistance in determining the resident district for any student served in Minnesota or on whose behalf a Minnesota school district is responsible.

Students who are placed for day treatment are generally considered residents of the district in which their parent/legal guardian resides. There are specific exceptions that are detailed in the Minnesota Department of Education (MDE) technical assistance document titled Q&A: Care and Treatment Placements and Transportation. Students who have an IEP or are placed for treatment and are living in a foster home or children’s residential facility are considered residents of the district in which their parent resides. The resident district is financially responsible for the instructional costs of students placed for treatment. Tuition Billing applies to Minnesota residents placed for treatment and who are enrolled in a Minnesota public school, i.e., State Aid Category (SAC) 27. Tuition Billing is the means by which MDE adjusts both the resident and enrolling districts’ state aid for students with IEPs.

The district in which the student is living is responsible for providing instruction for students placed for care and treatment in a day program. When the student lives at home during the day treatment, the resident district is responsible for providing instruction and transportation. When the student is living in a children’s residential
facility or foster home during the treatment program, the district in which the children’s residential facility or foster home is located is the providing district and is responsible for providing instruction and transportation.

**Care and Treatment Day Programs**

Care and treatment day programs are located in facilities that include health care, shelter, correctional and other types of programs that serve day students. The programs serve students who may or may not be receiving special education services, who have a short-term or temporary physical or emotional illness or disability and who are temporarily placed for care and treatment for that illness or disability.

**Student Membership**

Only actual instructional time with an appropriately licensed teacher generates student membership for MARSS reporting. Each hour of direct instruction generates one hour of membership. Treatment time does not generate student membership unless it is required in the IEP and provided by an appropriately licensed teacher or related services provider. Most students in day programs will be considered part time because treatment is usually provided during the school day and Percent Enrolled will be less than 100. Part time students can also be reported in terms of membership hours and Percent Enrolled reported as 999.

Students whose IEP requires the treatment services provided at the day program and who also receive other instruction can be reported as full time students, i.e., Percent Enrolled 100, if they are receiving the same number of daily hours of instruction provided to other students who are reported in the same school. Compare the number of Instructional Days and Length of Day reported on the enrolling school’s MARSS school file with the student’s daily instructional hours to determine if the student is full-time or part-time.

**Open Enrolled or Charter School Students**

When a student is open enrolled to another district or is enrolled in a charter school and is then placed for day treatment, the criteria described below apply. However, the open enrollment ‘contract’ or charter school enrollment is considered to be on hold during the placement and the student has the right to return to the open enrolled district or charter school once the treatment is completed.

**Non-Minnesota Residents**

Students who are residents of another state and placed in Minnesota for day treatment, or in a children’s residential facility or foster home, are ineligible to generate Minnesota state aid. If instruction is provided by a Minnesota school district, they are reported on MARSS with SAC 15. The placing agency is responsible for instructional tuition. Responsibility for instructional tuition should be established prior to enrolling the student. Districts with treatment programs should work with the treatment program’s in-take staff to determine responsibility for instructional costs at the time the non-Minnesota student is referred to the program. The student is reported with Transportation Category 00 by the district with which the placing agency has contracted. The Resident and Transporting District is 9998 and the Resident and Transporting District Type 98.
**Nonpublic/Home School Student**

When a nonpublic or home school student is placed for day treatment, the criteria described below apply, although the family may continue to choose nonpublic/home school education. The resident district or district where the children’s residential facility or foster home is located is responsible for providing transportation and must stand ready to provide instruction. The resident district is where the student’s parent(s) lives. The resident district is responsible for the instructional tuition, unless the family chooses to continue nonpublic/home school education, and may generate state aid based on the SAC reported.

**State Approved Alternative Programs (SAAP)**

Students placed for day treatment are eligible to receive instruction via a SAAP. However, the day treatment placement has suspended the student’s enrollment choices. Therefore, the student is not eligible to generate student membership under the independent study or project-based learning models – only direct instruction with the appropriately licensed teacher is eligible to generate student membership. The student is also not eligible to generate summer membership and/or extended time Average Daily Membership (ADM).

The care and treatment enrollment record (SAC 27 or 28) cannot start prior to Labor Day unless the providing school is eligible to start prior to Labor Day. Instruction is not required for students placed for day treatment during the summer and the school district is not required to provide transportation services.

**Transition Time**

Many students will transition out of treatment programs as they phase out of their placement, i.e., will receive instruction in more than one site. During the transition period the student is still considered placed for care and treatment so the student is reported only as determined in the scenarios described below. Any additional instruction provided during the transition period is included in that described below. The student cannot be reported by more than one school or program during a care and treatment placement.

**Statute and Rule References**

Minnesota Statutes, section 120A.20, subdivision. 2, Admission to Public School.
Minnesota Statutes, section 125A.15 Placement in Another District; Responsibility.
Minnesota Statutes, section 125A.17, Legal Residence of a Child with a Disability Placed in a Foster Facility.
Minnesota Statutes, section 125A.51, Placement of Children without Disabilities; Education and Transportation.
Minnesota Rules, chapter 3525.0210, subpart 39, Definitions.
Refer below for more detail on each student’s living and instructional situation.

**Students who Live at Home with their Parents**

The student’s resident district, as defined earlier, is responsible for assuring that instruction is provided for a student that is placed for care and treatment in a day program. The following are six instruction options:

1. The resident district can choose to provide the instruction. The resident district would be responsible to provide an appropriate educational program including special education and related services as necessary. No tuition is charged because the resident district is providing instruction.

   The resident district is responsible for transporting the student to and from the day treatment program when the day treatment program includes an educational program but only during regular school hours. The student is reported on MARSS with SAC 27 and Transportation Category 06 (Finance Code (FIN) 728) by the resident district. The resident district is reported as the Transporting District.

2. The resident district can choose to provide the instruction at or near the day program. The resident district would be responsible to provide an appropriate educational program including special education and related services as necessary. No tuition is charged because the resident district is providing instruction.

   The resident district is responsible for transporting the student to and from the day program during regular school hours. The student is reported on MARSS with SAC 27 and Transportation Category 06 (FIN 728) by the resident district. The resident district is reported as the Transporting District.

3. The resident district can agree to contract with the district in which the day program is located to provide an appropriate educational program including special education and related services as necessary. The resident district can choose to contract with the district individually for each resident student placed in the day treatment program or can contract for a fiscal year for all resident students placed at the day treatment program.

   The resident district is responsible for transporting the student to and from the day treatment program during regular school hours. The student is reported on MARSS with SAC 27 and Transportation Category 06 (FIN 728) by the district providing instruction. The resident district is reported as the Transporting District.

   The providing district invoices the resident district for students without an IEP. The serving/providing district would use the “Invoice for Educational Services for Students in Care and Treatment” located on MDE’s website (MDE >Districts, Schools and Educators > Business and Finance > School Finance > Special Education > Tuition Billing) for billing the resident districts General Education expenditures. A separate form would be required for each student. The providing district bills the resident district based on the providing district’s calculated rates. This is similar to district-placed students where Tuition Billing moves the general education revenue to the serving district for students with IEPs.

   The resident district is fiscally responsible for the student’s IEP. The providing district is responsible for the student’s IEP and all other due process protections. Tuition Billing applies to students with an IEP. Under this agreement the serving/providing district records special education expenditures as it would if the student was their own and reports their costs on the Special Education Data Reporting Application (SEDRA). Tuition Billing applies because the serving district is different than the resident district. Tuition Billing bills the unreimbursed special education costs to the resident district along with moving the general education revenue.
4. If the resident district is a member of an intermediate or joint powers district, the resident district can request that the joint powers/cooperative/intermediate district provide instruction on behalf of the resident district. The resident district can choose to contract with the cooperative individually for each resident student placed in the day treatment program or can contract for a fiscal year for all resident students placed at the day treatment program.

The resident district is responsible for transporting the student to and from the day treatment program during regular school hours. The student is reported with SAC 27 and Transportation Category 06 (FIN 728) by the providing district (the joint powers/intermediate/cooperative district). The resident district is reported as the Transporting District.

The joint powers/intermediate/cooperative district invoices the resident district for students without an IEP. The district would use the “Invoice for Educational Services for Students in Care and Treatment” located on MDE’s website (MDE > Districts, Schools and Educators > Business and Finance > School Finance > Special Education > Tuition Billing) for billing the resident district’s General Education expenditures. A separate form would be required for each student. The serving/providing district bills the resident district based on the serving district’s calculated rates. This is similar to district-placed students where Tuition Billing moves the general education revenue to the serving district for students with IEPs.

The resident district is fiscally responsible for the student’s IEP. The joint powers/intermediate/cooperative district, i.e., providing district is responsible for the student’s IEP and all other due process protections. Tuition Billing applies to students with an IEP. Under this agreement the serving district records special education expenditures as it would if the student was placed in their coop/intermediate/joint powers and reports their costs on SEDRA. Tuition Billing applies because the serving district is different than the resident district. Tuition Billing bills the unreimbursed special education costs to the resident district along with moving the general education revenue.

5. The resident district can agree to contract with the day program to provide instruction. The day program would need to employ or purchase services from another entity for appropriately licensed staff. The resident district can choose to contract with the day program individually for each resident student placed in the day treatment program or can contract for a fiscal year for all resident students placed at the day treatment program.

The resident district is responsible for transporting the student to and from the day treatment program during regular school hours. The student is reported with SAC 28 and Transportation Category 06 (FIN 728) by the resident district. The resident district is reported as the Transporting District.

The resident district is responsible for the student’s IEP and all other due process protections. Tuition Billing does not apply. The day program invoices the resident district directly. The resident district enters the cost of the service in SEDRA as a contracted student placement with Funding Source “A” and Service Code “C”. The resident district codes the special education expenditures to Finance Code 740 with Object Code 393.

6. The resident district can agree to purchase instructional services from a charter school. The student is not considered enrolled in the charter school. The resident district can choose to contract with the charter school individually for each resident student placed in the day treatment program or can contract for a fiscal year for all resident students placed at the day treatment program.

The resident district reports the student on MARSS with SAC 27. The charter school would not report the student on MARSS. Students would be reported as being served by the resident district. The resident district would set up a new Organizational Site to track and report these students. The resident district would use classification 79, Educational Oversight to Public Care and Treatment Day Program. This
classification would be used because the teachers at the charter school are acting as if they were district employees.

The resident district is responsible for transporting the student to and from the day treatment program during regular school hours. The resident district is reported as the Transporting District. The student is reported with Transportation Category 06 (FIN 728) by the resident district.

The charter school invoices the resident district for the agreed upon costs of purchasing the service from the charter school. The resident district is responsible for the student’s IEP and other due process protections. Tuition Billing does not apply. The charter school would need a separate Organizational Site set up to record expenditures. The charter school would code special education expenditures to Finance Code 000 with the correct disability and Object Code. They would not enter their costs on SEDRA. The charter school would use the “Invoice for Educational Services for Students in Care and Treatment” located on MDE’s website (MDE > Districts, Schools and Educators > Business and Finance > School Finance > Special Education > Tuition Billing) for billing the resident districts General Education expenditures. A separate form would be required for each student. The charter would also use this form to bill each student’s IEP services. The charter would be required to submit with the form an itemized attachment that would show the total cost and have the appropriate data elements to insure the staff providing services were appropriately licensed. The attachment would also need to include the number of special education service hours and the rate to reimburse for the services provided.

The resident district enters the cost of the service in SEDRA as a contracted student placement with Funding Source “A” and Service Code “C”. For students with an IEP, the resident district codes the student as a contracted student placement, Object code 393. The charter school reports the teacher providing the special education with Finance 000 and then the appropriate Program/Disability code (401-420). The charter school does not report the staff on SEDRA. Charter schools would need to set up a separate Organizational Site with classification 90 (administration programs) and charge all expenditures to that site. Charter schools would report the general education revenue with Source Code 021 and the special education revenue with Source Code 022.

**Students who Live in a Children’s Residential Facility or Foster Home**

The district where the children’s residential facility or foster home is located is responsible for assuring that instruction is provided for a student that is placed for care and treatment in a day program. The student’s resident district is fiscally responsible. The students generate general education revenue for the resident district which is responsible for the full tuition bill. The enrolling district is responsible for reporting these students; they must be withdrawn from the resident district.

The following are six instruction options.

1. **The district where the children’s residential facility or foster home is located can choose to provide the instruction and transport the student from the day program back to the children’s residential facility or foster home.**

   The district where the children’s residential facility or foster home is located is responsible for transporting the student to and from the day treatment program during regular school hours. The student is reported with SAC 27 and Transportation Category 06 (FIN 728) by the district where the children’s residential facility or foster home is located. The district where the children’s residential facility or foster home is located is reported as the Transporting District.
The providing district invoices the resident district for students without an IEP. The district would use the “Invoice for Educational Services for Students in Care and Treatment” located on MDE’s website (MDE > Districts, Schools and Educators > Business and Finance > School Finance > Special Education > Tuition Billing) for billing the resident districts General Education expenditures. A separate form would be required for each student. The providing district bills the resident district based on the providing district’s calculated rates. This is similar to district-placed students where Tuition Billing moves the general education revenue to the serving district for students with IEPs.

The district where the children’s residential facility or foster home is located is responsible for the student’s IEP and other due process protections. Tuition Billing applies for students who have an IEP and who are not residents of the district in which the children’s residential facility or foster home is located because the resident district is fiscally responsible. Tuition Billing bills the unreimbursed special education costs to the resident district along with moving the general education revenue.

2. The district where the children’s residential facility or foster home is located can choose to provide the instruction at or near the day program.

The district where the children’s residential facility or foster home is located is responsible for transporting the student to and from the day treatment program during regular school hours. The student is reported with SAC 27 and Transportation Category 06 (FIN 728) by the district where the children’s residential facility or foster home is located. The district where the children’s residential facility or foster home is located is reported as the Transporting District.

The providing district invoices the resident district for students without an IEP. The district would use the “Invoice for Educational Services for Students in Care and Treatment” located on MDE’s website (MDE > Districts, Schools and Educators > Business and Finance > School Finance > Special Education > Tuition Billing) for billing the resident districts General Education expenditures. A separate form would be required for each student. The providing district bills the resident district based on the providing district’s calculated rates. This is similar to district-placed students where Tuition Billing moves the general education revenue to the serving district for students with IEPs.

The district where the children’s residential facility or foster home is located is responsible for the student’s IEP and other due process protections. Tuition Billing applies for students who have an IEP and who are not residents of the district in which the children’s residential facility or foster home is located because the resident district is fiscally responsible. Tuition Billing bills the unreimbursed special education costs to the resident district along with moving the general education revenue.

3. The district where the children’s residential facility or foster home is located can agree to contract with the district in which the day program is located to provide instruction. The district where the children’s residential facility or foster home can choose to contract with the other district individually for each student placed in the day treatment program or can contract for a fiscal year for all students placed at the day treatment program.

The district where the children’s residential facility or foster home is located is responsible for transporting the student to and from the day treatment program during regular school hours. The student is reported with SAC 27 and Transportation Category 06 (FIN 728) by the district providing instruction, i.e. providing district. The district where the children’s residential facility or foster home is located is reported as the Transporting District.
The providing district invoices the resident district for students without an IEP. The district would use the “Invoice for Educational Services for Students in Care and Treatment” located on MDE’s website (MDE > Districts, Schools and Educators > Business and Finance > School Finance > Special Education > Tuition Billing) for billing the resident district’s General Education expenditures. A separate form would be required for each student. The providing district bills the resident district based on the providing district’s calculated rates. This is similar to district-placed students where Tuition Billing moves the general education revenue to the serving district for students with IEPs.

The resident district is fiscally responsible for the student. The providing district is responsible for the student’s IEP and all other due process protections. Tuition Billing applies to students with an IEP. Under this agreement the serving/providing district records special education expenditures as it would if the student was their own and reports their costs on SEDRA. Tuition Billing applies because the serving district is different than the resident district. The serving district bills the resident district based on the serving district’s calculated rates. This is similar to placed students where Tuition Billing moves the general education revenue to the serving district for students with IEPs. Tuition Billing bills the unreimbursed special education costs to the resident district along with moving the general education revenue.

4. If the district where the children’s residential facility or foster home is located is a member of a joint powers/intermediate/cooperative district, the district where the children’s residential facility or foster home is located can request that the joint powers/cooperative/intermediate district provide instruction on behalf of the district where the children’s residential facility or foster home is located. The district can choose to contract with the district individually for each student placed in the day treatment program or can contract for a fiscal year for all students placed at the day treatment program.

The district where the children’s residential facility or foster home is located is responsible for transporting the student to and from the day treatment program during regular school hours. The student is reported with SAC 27 and Transportation Category 06 (FIN 728) by the joint powers/intermediate/cooperative district. The district where the children’s residential facility or foster home is located is reported as the Transporting District.

The joint powers/intermediate/cooperative district invoices the resident district for students without an IEP. The district would use the “Invoice for Educational Services for Students in Care and Treatment” located on MDE’s website (MDE > Districts, Schools and Educators > Business and Finance > School Finance > Special Education > Tuition Billing) for billing the resident district’s General Education expenditures. A separate form would be required for each student.

The resident district is fiscally responsible for the student. The joint powers/intermediate/cooperative district, i.e., providing district is responsible for the student’s IEP and all other due process protections. Tuition Billing applies to students with an IEP. Under this agreement the serving district records special education expenditures as it would if the student was placed in their coop/intermediate/joint powers and reports their costs on SEDRA. Tuition Billing applies because the serving district is different than the resident district. The serving/providing district bills the resident district based on the serving district’s calculated rates. This is similar to district-placed students where Tuition Billing moves the general education revenue to the serving district for students with IEPs. Tuition Billing bills the unreimbursed special education costs to the resident district along with moving the general education revenue.

5. The district where the children’s residential facility or foster home is located can agree to contract with the day program to provide instruction. The day program would need to employ or purchase services from another entity for appropriately licensed staff. The district can choose to contract with the day program individually for each student placed in the day treatment program or can contract for a fiscal year for all students placed at the day treatment program.
The district where the children’s residential facility or foster home is located is responsible for transporting the student to and from the day treatment program during regular school hours. The student is reported with SAC 28 and Transportation Category 06 (FIN 728) by the district where the children’s residential facility or foster home is located. The district where the children’s residential facility or foster home is located is reported as the Transporting District. The resident district is where the parent resides.

The day program invoices the resident district for students without an IEP. A separate invoice would be required for each student. The day program bills the resident district based on the day program’s calculated rates.

The district where the children’s residential facility or foster home is located is responsible for the student’s IEP and all other due process protections. The resident district is fiscally responsible. The day program invoices the resident district directly. The resident district enters the cost of the service in SEDRA as a contracted student placement with Funding Source Code “A” and Service Code “C”. The resident district codes the special education expenditures to Finance Code 740 with Object Code 393.

6. The district where the children’s residential facility or foster home is located can agree to purchase instructional services from a charter school. The student is not considered enrolled in the charter. The district where the children’s residential facility or foster home is located can choose to contract individually for each student or can contract for a fiscal year for all student’s placed at the day treatment program.

The district where the children’s residential facility or foster home is located reports the student on MARSS with SAC 27. The charter school would not report the student on MARSS. Students would be reported as being served by the district where the children’s residential facility or foster home is located. The district where the children’s residential facility or foster home is located would set up a new Organizational Site to track and report these students. The resident district would use classification 79, Educational Oversight to Public Care and Treatment Day Program. This classification would be used because the teachers at the charter school are acting as if they were district employees. The resident district is where the parent resides and is fiscally responsible.

The district where the children’s residential facility or foster home is located is responsible for transporting the student to and from the day treatment program during regular school hours. The district where the children’s residential facility or foster home is located is reported as the Transporting District. The student is reported with Transportation Category Code 06 (FIN 728) by the district in which the residential or foster facility is located.

The serving charter school invoices the resident district for the agreed upon costs of purchasing the service from the charter school. The district where the children’s residential facility or foster home is located is responsible for the student’s IEP and other due process protections. Tuition Billing does not apply. The charter school would use the “Invoice for Educational Services for Students in Care and Treatment” located on MDE’s website (MDE > Districts, Schools and Educators > Business and Finance > School Finance > Special Education > Tuition Billing) for billing the resident districts General Education expenditures. A separate form would be required for each student. The charter would also use this form to bill each student’s IEP services. The charter would be required to submit with the form an itemized attachment that would show the total cost and have the appropriate data elements to insure the staff providing services were appropriately licensed. The attachment would also need to include the number of special education service hours and the rate to reimburse for the services provided. The resident district would code the expense as a contracted
placement and enter the amount in SEDRA for reimbursement with State special education aid. To recover the unreimbursed cost the district would need to submit a one to one Tuition Billing form to bill the student’s resident district.

The resident enters the cost of the service in SEDRA as a contracted student placement with Funding Source “A” and Service Code “C”. For students with an IEP, the district where the children’s residential facility or foster home is located codes the student as a contracted student placement, Object code 393. The charter school reports the teacher providing the special education with Finance 000 and then the appropriate Program/Disability Code (401-420). The charter school does not report their expenditures on SEDRA. The charter school would need to set up a separate Organizational Site with classification 90 (administration programs) and charge all expenditures to that site. Charter schools would report the general education revenue with Source Code 021 and the special education revenue with Source Code 022. To recover the unreimbursed special education costs the district where the children’s residential facility or foster home is located would complete the Tuition Billing One to One reimbursement form to bill the student’s resident district through Tuition Billing.

**Decision Grids**

The charts below summarize the instruction options and are intended to provide clarification on educational and transportation responsibilities for students who are placed for day treatment under Minnesota Statutes, section 125A.15 (students with an IEP) or Minnesota Statutes, section 125A.51 (students without an IEP).
Decision Grid Summary for Students Placed in Care and Treatment Programs

Student is Placed for Day Treatment
Student lives with parents, Resident District is responsible for instruction and transportation.

1. Resident District provides the instruction and transports the student from the day program back to the resident district.

   - Resident District reports the student on MARSS with SAC 27.
   - Resident District provides transportation. Transportation Category 06-Special Fin Code 728.
   - Resident District responsible for IEP. No tuition billing.

2. Resident District provides the instruction at or near the day program.

   - Resident District reports the student on MARSS with SAC 27.
   - Resident District provides transportation. Transportation Category 06-Special Fin Code 728.
   - Resident District responsible for IEP. No tuition billing.

3. Resident District contracts with the district in which the day program is located to provide instruction. Contract must be written for each student.

   - Providing District reports the student on MARSS with SAC 27.
   - Providing district invoices the resident district for students without an IEP. Tuition Billing applies for students with IEPs.

4. Resident District can request that the joint powers/inter. district provide instruction on behalf of the resident district. The resident district must be a member district.

   - Joint powers/inter. school reports the student on MARSS with SAC 27.
   - Joint powers/inter. invoices the resident district for students without an IEP. Tuition Billing applies for students with IEPs.

5. Resident District contracts with the day program to provide instruction. The day program would need to employ or purchase services from another entity for appropriately licensed staff.

   - Resident District reports the student on MARSS with SAC 28.
   - Resident District provides transportation. Transportation Category 06-Special Fin Code 728.
   - Resident District invoices resident district directly. No tuition billing.

6. The resident district can agree to purchase instruction services from a charter school. The student is not considered enrolled in the charter school.

   - Resident District reports the student on MARSS with SAC 28.
   - Resident District provides transportation. Transportation Category 06-Special Fin Code 728.
   - Charter school invoices resident district directly. No tuition billing.