



OKLAHOMA STATE DEPARTMENT *of* EDUCATION  
OFFICE OF SPECIAL EDUCATION SERVICES

TO: Superintendents and Special Education Contacts/Directors  
FROM: Karen Howard, Finance Director, Special Education Services  
DATE: June 3, 2025  
SUBJECT: High Need Student(s) Application Procedures

The Individuals with Disabilities Education Act (IDEA) of 2004 granted states the flexibility to set aside a percentage of the funds reserved for state-level activities to establish a funding mechanism that would reimburse local educational agencies (LEA) for costs of high need students with disabilities.

The High Needs Risk Pool is established in 34 C.F.R. 300.704 c of the IDEA 2004. The act allows the State to develop a state plan that establishes the following: a definition of a high need child with a disability, the criteria for participation by school districts in the program, a plan to ensure that placements supported by the funds are consistent with requirements in 34 C.F.R. §300.114 – 300.118, the funding mechanism for the distribution of funds under this program and an annual distribution schedule in accordance with the appropriation of other funds in that fiscal year. The Oklahoma State Department of Education (OSDE), in collaboration with a group of stakeholders, has developed an application process to reimburse LEAs for the excessive costs of high need students. The OSDE has exercised the option to retain the maximum amount of administrative funds, \$2.5 million, for high need activities.

The application process, which can be found on the OSDE-SES-Finance website, enables LEAs to request assistance for providing direct special educational costs for high need children with disabilities who meet the criteria established in IDEA 2004. High cost expenses are categorized as follows:

**Tier 1** includes funding on a reimbursement basis for out-of-state (OOS) residential placements. Funds are awarded on a sliding scale to qualified LEAs on a priority basis (see funding manual for more information). For students with special needs, whom the local individualized education program (IEP) team determines an OOS residential placement is needed and appropriate to provide a free and appropriate public education (FAPE), the local educational agency (LEA) may complete the application process to request Tier 1 reimbursement assistance.

**Tier 2** includes funding on a reimbursement basis for high need students with excessive costs to the LEA that are served by the district. To qualify for Tier II funding, 1) the expenses for the high need student must be at least three times the average per pupil expenditure in Oklahoma, and 2) the total cost of all high need students in the LEA must be at least ten percent (10%) of the LEA's previous OSDE Flow-Through allocation. LEAs meeting these criteria may complete the application process for Tier 2 reimbursement assistance.