

**IDEA Excess Cost (FY20)**  
**Illinois State Board of Education - Special Education Services**  
**November 2019**

The 34 CFR 300.202 allows districts to use federal Individuals with Disabilities Education Act (IDEA) funds for the excess cost of educating students with disabilities. Each district must calculate and verify its excess cost threshold annually. In accordance with 34 CFR 300.16, 300.202, and Appendix A to Part 300 the Illinois State Board of Education provides an IDEA Excess Cost Application in IWAS to assist districts in calculating, documenting, and verifying the excess cost of educating students with disabilities.

The IDEA excess cost application in IWAS collects district **expenditures** and student population data to calculate an average annual per pupil expenditure (APPE) and IDEA excess cost threshold. These instructions and the Excess Cost Application in IWAS will direct districts to the correct data sources by fiscal year.

**DATA SOURCES:**

- FY19 IDEA Excess Cost Application – located in IWAS
- FY19 Annual Financial Report (AFR)
- FY19 Total Student Enrollment (October, 2018 Fall Enrollment) – provided on the IDEA grant webpage
- FY19 Number of Students with IEPs - provided on the IDEA grant webpage
- Current Number of Students with IEPs (December, 2019 Child Count) – reports available in I-Star, Reports Release: IDEA Excess Cost Application

**TIMELINE**

The completed Excess Cost Application must be submitted in IWAS **no later than January 31, 2020**. Districts that do not submit the FY20 IDEA Excess Cost Application by January 31, 2020 are subject having IDEA funds frozen.

**ELEMENTARY/SECONDARY CALCULATIONS**

**Preschool** – The calculations are based on kindergarten through grade 12 data.

**Exclude the preschool population in calculating excess cost.** The application includes prompts to exclude preschool expenditures.

**\*5-year-old kindergartners-** The IDEA preschool grants are for students ages 3 -5, including 5-year-old kindergartners with IEPs. When calculating the IDEA excess cost, include any IDEA preschool grant funds that were used to provide special education and related services to 5-year-old students in kindergarten.

**Elementary and Secondary–** The federal regulations require districts with both elementary and secondary students to separate those expenditures. LEAs may not compute the minimum average amount they must spend on the education of children with disabilities based on a combination of elementary and secondary enrollments.

The application separates all items by elementary (grades K- 8) and secondary (grades 9 – 12). A running total column is also provided to assist K-12 unit districts in tracking and matching the total expenditures and student counts. Elementary and secondary districts complete the appropriate column of the application and leave the column that does not apply to their student population blank.

**Proration** – In the event that an expense cannot be separated by elementary and secondary, the district can pro-rate those expenses. **When pro-rating any costs, the districts must keep record of the procedure/method used to determine the proration.**

**IDEA Excess Cost Calculation**

- Determine an average annual per pupil expenditure.
- The district must spend at least that minimum amount of state/local funds on each student with an individualized education program (IEP).

<b>Federal Calculation</b>	<b>Excess Cost Application in IWAS</b>
Calculate the district's total expenditures,	Section A- Use the AFR
Subtract capital outlay, non-capitalized equipment, and debt services expenditures.	Section B – collects capital outlay, non-cap. Equipment, and debt service expenditures Section C – subtracts those expenditures
Subtract special population expenditures (Title I, Title III, and special education).	Section D – collects Title I, Title III and special education expenditures Section E – subtracts those expenditures
Calculate the Average Annual Per Pupil Expenditure (APPE).	Section F
Multiply the APPE and the current special education population for the IDEA excess cost threshold.	Section G
Verify that the district met the IDEA excess cost threshold established in the prior year.	Section H

**INSTRUCTIONS:**

**Section A- Total Expenditures** – Section A collects **ALL** FY19 expenditures. Enter the data from the district's AFR. The IWAS Excess Cost Application directs the districts to the specific lines and columns of the FY19 AFR for the required data.

- Educational Fund (10) - AFR line 114, column K (900).
- Operations & Maintenance Fund (20) – AFR line 151, column K (900).
- Transportation Fund (40) – AFR line 210, column K (900).
- Municipal Retirements/SS Fund (50) - AFR line 295, column K (900).
- Tort Fund (80) - AFR line 342, column K (900).
- Exclude PreK Expenditures.

**Section B- General Education Capital Outlay/Non-Cap. Equipment and Debt Service** – Section B collects FY19 general education expenditures for capital outlay, non-capitalized equipment, and debt service. These are a portion of the expenses that were reported in Section A. The IWAS Excess Cost Application directs the districts to the specific locations in the AFR for the required data.

- Educational Fund (10) - AFR line 114, columns G (500) and I (700) + line 112, column k (900)
- Operations & Maintenance Fund (20) - AFR line 151, columns G (500) and I (700) + line 149, column k (900)
- Transportation Fund (40) - AFR line 210, columns G (500) and I (700) + line 208, column k (900)
- Municipal Retirements/SS Fund (50) - AFR line 293, column K (900).
- Tort Fund (80) - AFR line 342, columns G (500) and I (700) + line 340, column K (900).
- Exclude PreK expenditures
- Exclude Title I, Title III, or special education expenditures for capital outlay/non-capitalized equipment or debt service in this section

**Section C- Total Expenditures (Adjusted)** – Section C subtracts the general education capital outlay, non-capitalized equipment, and debt services expenditures from the total expenditures. The IWAS Excess Cost Application calculates the adjusted total expenditure as data is entered in Sections A and B.

**Section D- Special Education and ESEA Title Expenditures** – Section D collects expenditures for special populations: Title I, Title III, and special education. These are a portion of the costs that were previously entered in Section A, as part of the total expenditures.

- Exclude PreK expenditures
- Exclude expenditures that were included in section B
- Make sure the capital outlay and non-capitalized equipment costs are not duplicated.
- Each district **must** note the FY19 AFR location for the Title I/III and special education expenditures, e.g. AFR lines/columns 8/900, 22/900, etc.

**Section D– FY19 IDEA Part B (flow-through grant expenditures)**

- K – age 21 special education expenditures paid with IDEA flow-through grants
- The AFR doesn’t separate the special education expenditures out by IDEA or state/local funding sources. Districts must use their local records, including IDEA expenditure reports, to identify the IDEA expenditures.
- Exclude IDEA expenditures made by a special education cooperative on behalf of a member district.
- While district placement of special education costs in the AFR vary, the expenditures are often placed in the “Special Education Programs” lines of the AFR, e.g. 8, 22 79, 86, etc. and the “Support Services” sections of the AFR, e.g. lines 39, 40, 235, etc.
- Make sure the IDEA special education costs in this section aren’t duplicated in the state/local special education expenditures in section D.

**Section D- FY19 Title I (low income & school improvement expenditures)**

- K – 12 Title I expenditures: Title I grant expenditures **AND** any local funds expended for Title I costs
- While district placement of Title I costs in the AFR vary, the expenditures are often placed in the “Remedial and Supplemental Programs” lines of the AFR, e.g. lines 10, 24, etc.

**Section D- FY19 ESEA Title III (LIP/LEP & immigrant ed., bilingual ed., TPI/TBE)**

- K – 12 Title III expenditures: Title III grant expenditures **AND** any local funds expended for Title III costs
- While district placement of Title III costs in the AFR vary, the expenditures are often placed in the “Bilingual” lines of the AFR, e.g. lines 18, 31, etc.

**Section D- All Other FY19 Special Education Expenditures**

- K-age 21 special education expenditures paid with state and local funds
- While district placement of special education costs in the AFR vary, the expenditures are often placed in the “Special Education Programs” lines of the AFR, e.g. 8, 22, 79, 86, etc. and the “Support Services” sections of the AFR, e.g. lines 39, 40, 235, etc.
- The AFR doesn’t separate the special education expenditures out by IDEA or state/local funding sources. Districts must use their local records, including IDEA expenditure reports, to identify the state/local special education expenditures.

**Section E-Adjusted Total Expenditures less Special Education & ESEA Title Expenditures** – Section E subtracts the special population expenditures (Section D) from the total expenditures. The excel worksheet calculates the adjusted total expenditure based on the data entered in Sections C and D.

**Section F- Average Annual per Pupil Expenditure** – Section F calculates the annual per pupil expenditure based on the FY19 expenditures and total student population. Enter the final October,2018 Fall Enrollment data on Section F, line F-1. The FY19 Total Student Enrollment list that separates each district’s student enrollment by elementary (K-8) and secondary (9-12) is provided on the IDEA grant webpage at <https://www.isbe.net/Pages/IDEA-Part-B-Grant-Program-Information.aspx>. The district must use the FY19 Total Student Enrollment list on the IDEA grant webpage.

The excel worksheet calculates the APPE using the previous year data (expenditures ÷ student count = APPE).

**Section G- Minimum District Must Spend Per Pupil with Disabilities** – Section G calculates the IDEA excess cost threshold based on the APPE and the current year’s special education population. The report with this data is available in I-Star, Reports Release: IDEA Excess Cost Application. The report separates the December 1, 2019 Child Count by elementary (K-8) and secondary (9-12). Enter the special education child count data in Section G, line G-1. The Excess Cost Application in IWAS calculates the final excess cost using the previous year’s APPE and the current year’s IDEA child count (APPE X IDEA child count = excess cost). **This is the district’s IDEA excess cost threshold for FY20. The district must spend at least this amount of FY20 local or state/local funds to educate students with disabilities.**

**Section H- Excess Cost Check**– Section H is a tool to verify that the district met the FY19 excess cost threshold by comparing the excess cost threshold identified in the FY19 excess cost worksheet to actual FY19 expenditures. Enter the FY19 # of students with IEPs in line H-1. That list is provided on the IDEA grant webpage at <https://www.isbe.net/Pages/IDEA-Part-B-Grant-Program-Information.aspx>.

Use last year’s FY19 excess cost worksheet to complete Section H, line H-3. Enter the excess cost threshold amount from the FY19 IDEA excess cost worksheet (Section G, line 54 from previous year) in Section H, line H-3 of the current FY20 excess cost worksheet.

The Excess Cost Application in IWAS calculates the state/local spending on students with IEPs and enters those amounts in Section H, line H-4. The worksheet compares the FY19 special education expenditures to the IDEA excess cost threshold established in the FY19 excess cost worksheet (line H-2 – H-3 = H-4). Section H, line H-4 shows the final comparison in the IDEA excess cost check. A positive amount or a zero means the district met the IDEA excess cost threshold. A negative amount means the district did not meet the IDEA excess cost threshold and may be subject to repayment of the federal funds. **Any district with a negative amount should contact its IDEA grant coordinator.**

The completed Excess Cost Application must be submitted in IWAS **no later than January 31, 2020.**

Questions regarding IDEA excess cost requirements and completion of the IDEA Excess Cost Application should be directed to the IDEA grant coordinators by telephone (217/782-5589) or email:

Zach Allen [zallen@isbe.net](mailto:zallen@isbe.net)  
Kimberly Beachy [kbeachy@isbe.net](mailto:kbeachy@isbe.net)  
Mandi Richards [marichar@isbe.net](mailto:marichar@isbe.net)  
Todd Williams [todwilli@isbe.net](mailto:todwilli@isbe.net)

Please also reference the IDEA grant webpage for additional excess cost resources - [http://www.isbe.net/spec-ed/html/idea\\_part-b.htm](http://www.isbe.net/spec-ed/html/idea_part-b.htm).