Purpose of the IDEA Excess Cost Worksheet:

- IDEA excess cost requirements apply to all school districts. Each district must complete and submit an IDEA excess cost worksheet; cooperatives will NOT complete and submit an IDEA excess cost worksheet.
  - Cooperatives will need to complete an IDEA expenditure detail report for each member district.
- The IDEA excess cost is an IDEA supplement not supplant requirement.
- The IDEA excess cost worksheet is a tool to verify that each district determined its IDEA excess cost threshold for FY15, i.e. the minimum amount of local (state/local) funds that must be expended on special education and related services.
- As written assurances alone are not sufficient to meet this federal requirement, districts shall complete and submit an IDEA excess cost worksheet each year.
- Failure to meet the excess cost threshold would require the repayment of federal funds (short-fall) with local funds. The IDEA grant team is available to provide technical assistance. Any district that believes it may not meet the excess cost threshold should contact its IDEA grant coordinator for assistance in resolving the matter.

Tracking Federal Funds:

- Each district and cooperative that receives IDEA funds must be able to verify that the funds are expended in accordance with the IDEA and federal/state fiscal regulations.
- The federal funds are to be used for the students that generate those funds -
  - Districts must be able to verify that the IDEA funds are used for IDEA purposes; and
  - Special education cooperatives must be able to verify that IDEA funds are distributed and expended in accordance with the federal allocation that each member district generates.

Expenditures:

- The IDEA excess cost worksheet uses expenditures from the prior fiscal year (FY14) to calculate an annual per pupil expenditure (APPE).
- The focus is on what was actually spent in FY14, not revenue, not budgets.

Fiscal Year:

- Completion of the IDEA excess cost worksheet is a requirement for the current fiscal year (FY15).
- All expenditures entered into the calculation are from the prior fiscal year (July 1, 2013 – June 30, 2014 FY14).
- The calculation is completed using FY14 expenditures/Fall Enrollment count (Oct. 2013) to determine an APPE. The APPE is then multiplied by the current year’s IDEA child count (Dec. 1, 2014) to determine the excess cost threshold for FY15.
- The final calculation is the excess cost threshold for FY15 - that is the amount of local (state/local) funds the district must spend on special education and related services in FY15.
Carryover Funds:
- If carryover funds from FY13 were expended in FY14, those expenditures WILL be included in the calculation.
- Funds that were not spent in FY14 and carried over to FY15 will NOT be included in the calculation.

Federal IDEA Allocations:
- IDEA Allocations and IDEA Allotments
  - Each school district has a federal IDEA allocation that is generated based on its student population. The federal IDEA allocations are sent to either stand-alone districts or special education cooperatives. The final FY14 IDEA flow-through allocations are available at: [http://www.isbe.net/funding/pdf/IDEA_flow_allocations_14.pdf](http://www.isbe.net/funding/pdf/IDEA_flow_allocations_14.pdf).
  - An IDEA allotment is the amount of the IDEA allocation that the special education cooperative allots to a member district in the IDEA grant (subgrant).
  - The federal IDEA allocation and the IDEA member district allotment can differ, as cooperatives generally retain a portion of the federal allocation for service provision (e.g. administrative costs, professional development, cooperative programs, service providers employed by the cooperative).
- District must account for all IDEA expenditures, including any portion of the federal allocation expended by a special education cooperative on behalf of the member district.
- For IDEA excess cost purposes, an IDEA expenditure detail report is provided for cooperatives to complete and record the member district IDEA expenditures that are not included in the district annual financial reports (AFRs) and on FRIS.

IDEA Expenditure Detail Report:
- Districts that are not a part of a cooperative will NOT complete the IDEA expenditure detail report.
- The IDEA expenditure detail report form is an important tool. It helps track the use of IDEA funds for cooperatives and member districts. It helps ensure that:
  - districts do not report IDEA expenditures twice in Sections A & B of the IDEA excess cost worksheet, resulting in an inflated APPE; and
  - districts are given full credit for all IDEA expenditures in Section D of the IDEA excess cost worksheet.
- Cooperatives must complete an expenditure detail report for each member district of the cooperative.
- The expenditure detail report is to capture all FY14 IDEA expenditures, i.e. subgrant expenditures and any portion of the IDEA allocation retained by the cooperative and expended on behalf of the districts.
- When completing the IDEA expenditure detail report, the subgrant expenditures will be entered in the “white” section of the expenditure lines. Those will align with the district AFR entries.
- The IDEA expenditures made by the cooperative on behalf of the member districts will be entered in the “shaded” section of the expenditure lines.
- The IDEA expenditure detail report form will have a subtotal for the subgrants and the expenditures made by the cooperative. Member districts will use the shaded subtotal to complete Sections A & B of the IDEA excess cost worksheet (add to the AFR amount for the Educational Fund (10) line of the worksheet).
- Member districts will enter the Total Expenditures (2013-2014) on the expenditure detail report form on the IDEA Part B (flow-through) line in section D of the IDEA excess cost worksheet.
- The expenditure detail report form includes a section to document the total amount available (FY14 allocation and any FY13 carryover) and prompts cooperatives to account for all FY14 expenditures.
- The IDEA expenditure detail report form, developed by ISBE, does not separate the expenses by elementary (K-8) and secondary (9-12). The cooperatives and districts will need to coordinate regarding
the cost separation. If applicable, a cooperative/district may complete an elementary (K-8) and a secondary (9-12) IDEA expenditure detail report.

Financial Reimbursement Information System (FRIS) Data:
- FRIS includes disbursements and expenditures by district and project.
- The IDEA excess cost worksheet and instructions direct districts to FRIS to complete Section D for Special Education and ESEA costs.
- FRIS will include the FY14 expenditures for:
  - IDEA flow-through (cooperatives will need to provide for member districts)
  - ESEA Title I and ESEA Title III
- FRIS will include disbursements for IDEA room & board, private facility tuition, Orphanage, special education personnel, transportation, & summer school, and Funding for Children Requiring Special Education (14-7.02(b)). In these cases, the districts will need to use local records (e.g. ledgers, AFR entries, iePoint) to verify the expenditures for those items.

Elementary and Secondary Expenditures:
- The federal regulations require districts to calculate separately for elementary and secondary expenses.
- Unit districts cannot prorate all expenditures based on student population.
- As noted in the IDEA excess cost instructions, when no distinct and separate costs can be associated to either elementary or secondary, the district can pro-rate (e.g. superintendent’s salary/benefits). The district must maintain record of the method/procedure used to determine the proration of the expenditure.

Timeline:
- The completed IDEA excess cost worksheet is due to ISBE by Friday, January 30, 2015.
- The timeline allows for consistent data sources:
  - AFRs are due to ISBE by October 15, with December 15 being the latest extension date.
  - FY14 (October, 2013) Fall Enrollment data is finalized and an elementary/secondary split is available on the IDEA grant webpage.
  - IDEA Child Count data is due to ISBE by December 1, 2014. Districts should use that data for “Number of Students with Disabilities Enrolled” in the final section of the excess cost worksheet.
- The timeline is prior to the June 30, 2015 end date of the grant period and allows districts time to adjust their budgets to ensure they expend local (state/local) funds in accordance with their individual IDEA excess cost threshold.

Submission Process:
- The IDEA excess cost worksheets (and any accompanying expenditure detail report forms) must be emailed to the IDEA grant coordinators.
- Member districts of cooperatives may submit directly to the IDEA grant coordinators or through the cooperative.

IDEA Excess Cost and IDEA Maintenance of Effort (MOE):
- Excess cost and MOE are separate IDEA supplement not supplant requirements.
- Districts should keep both in mind when budgeting and expending available funds.
- IDEA excess cost is the threshold of local (state/local) spending for each district.
Completing the FY15 IDEA Excess Cost Worksheet:
- Policies/Procedures - Put policies/procedures in place to ensure consistent and accurate calculations, e.g. if pro-rating a cost that cannot be distinctly separated by elementary or secondary, establish a policy for separating the cost.
- Record Retention – Include the IDEA excess cost worksheet and the expenditure detail report form (cooperatives/member districts) as part of the fiscal record.
- Communication:
  - Cooperative and member districts will need to communicate to complete the IDEA expenditure detail report and IDEA excess cost worksheet.
  - Business managers/bookkeepers will need to communicate with special education staff to complete the IDEA excess cost worksheet.
- Questions - Resources are provided on the IDEA grant webpage and the IDEA grant coordinators are available for specific questions.

Planning for the Future:
The documentation/verification process is new for the districts, cooperatives, and IDEA grant coordinators. As districts complete the IDEA excess cost worksheet and cooperatives complete the IDEA expenditure detail report staff members will encounter practices/policies/procedures that may need revisions for future fiscal years.
- Review current policies/procedures and ensure steps are in place to accurately track IDEA grant funds from the federal allocation to amounts expended and any carryover.
- Review current policies/procedures in place to track local and state expenditures.
- Elementary and secondary expenditures:
  - Unit districts may put steps in place to track expenditures by elementary and secondary.
  - Districts/cooperatives may put steps in place to budget IDEA expenditures by elementary and secondary.
  - Cooperatives may put steps in place for member districts to budget IDEA expenditures and submit reimbursement claims by elementary and secondary.
  - Districts/cooperatives may review time and effort worksheets to determine if time and effort should be reported by elementary and secondary.
- When completing the forms, note any ideas for improvement that fall within the parameters of the IDEA and share those suggestions with the IDEA grant team.

Resources on the IDEA Grant Webpage [http://www.isbe.net/spec-ed/html/idea_part-b.htm]:
- The IDEA excess cost worksheet, expenditure detail report and instructions
- Link to October, 2013 Fall Enrollment (FY14) data separated by elementary and secondary
- August, 2014 video of excess cost presentation from the 2014 Directors’ Conference
- October 2, 2014 excess cost webinar and presentation slides
  - Includes links to 2012 excess cost presentation by the federal Office of Special Education Programs (OSEP)
  - Includes links to OSEP guidance letters on IDEA excess cost

**For problems viewing any videos or webinars, reference the link to “Video Tips” provided at the top of the IDEA grant webpage.