

Excess Costs 101: Excess Cost Calculation

SELDA
Department of Special Education
Services and Supports
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Learning Targets



Become familiar with IDEA supplanting tests



Understand Excess Cost requirement



Develop a general understanding of the Excess Cost calculation

Federal Requirement to Supplement, Not Supplant

34 CFR §300.202 Use of amounts explains the appropriate use of IDEA, Part B funds for students with disabilities.

It states:

(a) General. Amounts provided to the LEA under Part B of the Act—

- (1) Must be expended in accordance with the applicable provisions of this part;
- (2) Must be used only to pay the excess costs of providing special education and related services to children with disabilities, consistent with paragraph (b) of this section; and
- (3) Must be used to ***supplement*** State, local, and other Federal funds ***and not to supplant*** those funds.

Federal Requirement to Supplement, Not Supplant

In other words:

Local education agencies (LEAs) may not use IDEA, Part B funds as the **primary source** for educating students with disabilities.



Supplanting Tests for IDEA

1

- Maintenance of Effort (MOE)

2

- Excess Cost

IDEA Funds

34 CFR §300.202

IDEA Part B funds must be used only to pay the excess costs of providing special education and related services for children with disabilities.

Must be used to supplement state, local and other Federal funds and not to supplant those funds

Excess Cost Definition

Excess costs are those costs for the education of an elementary or secondary school student with a disability that are in excess of the average annual per pupil expenditure (APPE) in an LEA.

An LEA must spend at least APPE on the education of a child with a disability before funds under IDEA, Part B are used to pay the excess costs of providing special education and related services.

The Excess Cost calculation demonstrates that the LEA is not using federal funds in place of local and state funds for the core educational program regarding students with disabilities.



Excess Cost Calculation

- Each LEA must complete the Excess Cost Calculation in the Consolidated Application (Con App), Special Ed Excess Cost portal, annually.
- Each LEA must spend the minimum average amount per student by the end of the fiscal year to meet compliance. Failure to meet excess cost requirement could result in the State recovering funds from the LEA.
- This is one way the Georgia Department of Education (GaDOE) monitors for supplanting of IDEA funds.

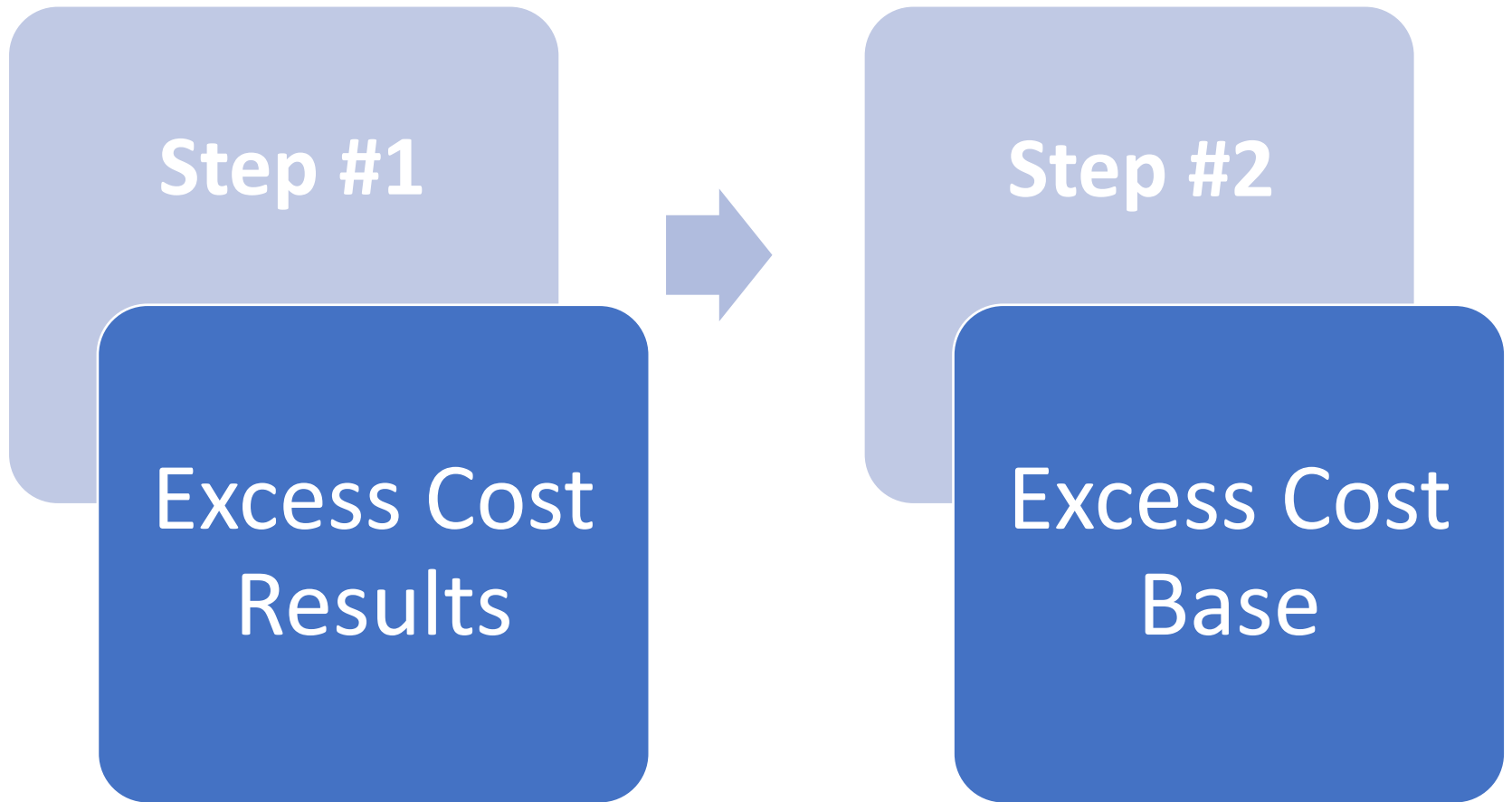
Excess Cost Calculation Submission Deadline



January 31st

Excess Cost Calculation

Two-Step Process

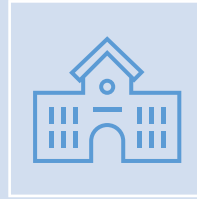


Excess Cost Calculation Results versus Base

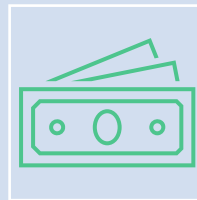
| Excess Cost Results | Excess Cost Base |
|--|---|
| Calculated after expenditures have been processed | Completed after the Excess Cost Results is approved by GaDOE Special Education Budget unit |
| Calculation shows the LEA expended the minimum average amount separately for elementary children with disabilities and for secondary children with disabilities before IDEA funds were used. | Calculation shows the LEA projects to expend the minimum average amount separately for elementary children with disabilities and for secondary children with disabilities before IDEA funds are used. |

Note: Office of Special Educations Programs (OSEP) has clarified that, if the non-IDEA funds are expended by the end of the fiscal year, IDEA funds may be expended concurrently.

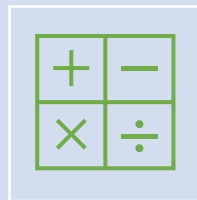
Excess Cost Calculation Overview



The LEA must first determine elementary and secondary expenditures separately.

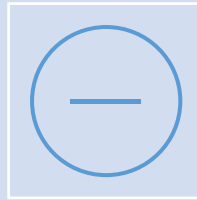


Central Office costs must be attributed to elementary and secondary costs.

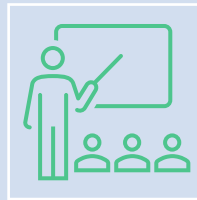


Then the LEA must subtract the amount of capital outlay and debt expenditures.

Excess Cost Calculation Overview (cont.)



The LEA must subtract amounts spent from other Federal, State and local funds.

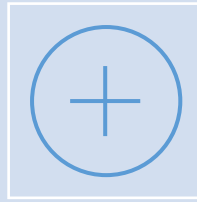


The LEA must determine the APPE for elementary and secondary school students. This number includes all students with disabilities.



The LEA must determine the total minimum amount of funds that must be spent for the education of its elementary and secondary school students with disabilities.


Excess Cost Calculation Overview (cont.)



The LEA adds the state and local expenditures for special education to determine if it **met** or **did not meet** the Excess Cost requirement.

Excess Cost Calculation Overview (cont.)

Once the Excess Cost Results have been approved by GaDOE, the LEA completes and submits the Excess Cost Base.



The Excess Cost Base provides the LEA with a projected calculation to determine if the Excess Cost requirement will be met at the end of the current fiscal year.

Simple Calculation

| | Elementary | Secondary |
|--|------------|-----------|
| Total State and Local Funds: | \$3,000 | \$2,000 |
| Total Enrollment: | 25 | 20 |
| Average Annual Per Pupil: (Total Funds divided by Total Enrollment) | \$120 | \$100 |
| Students with Disabilities Count: | 12 | 10 |
| Minimum Target: (Avg Annual Per Pupil x Students with Disabilities Count) | \$1,440 | \$1,000 |
| School Level Special Education Expenditures: | \$1,000 | \$800 |
| Other Special Education: | \$500 | \$300 |
| Total Special Education Expenditures: (School Level Special Education + Other Special Education Expenditures) | \$1,500 | \$1,100 |
| Less Minimum Target: | \$60 | \$100 |
| Met or DNM? | Met | Met |

Let's Practice

| Question # | | Elementary | Secondary |
|------------|--|----------------------|----------------------|
| | Total State and Local Funds: | \$1,000 | \$2,000 |
| | Total Enrollment: | 10 | 20 |
| (1) | Average Annual Per Pupil: (Total Funds divided by Total Enrollment) | <input type="text"/> | <input type="text"/> |
| | Students with Disabilities Count: | 5 | 10 |
| (2) | Minimum Target: (Avg Annual Per Pupil x Students with Disabilities Count) | <input type="text"/> | <input type="text"/> |
| | School Level Special Education Expenditures: | \$1,000 | \$600 |
| | Other Special Education: | \$500 | \$300 |
| (3) | Total Special Education Expenditures: (School Level Special Education + Other Special Education Expenditures) | <input type="text"/> | <input type="text"/> |
| (4) | Less Minimum Target: | <input type="text"/> | <input type="text"/> |
| (5) | Met or DNM? | <input type="text"/> | <input type="text"/> |

Directions:

- Complete the empty red boxes.
- Determine if the LEA meets or does not meet (DNM) for elementary and secondary.
- Does the LEA meet overall? _____

Let's Practice

| Question # | | Elementary | Secondary |
|------------|--|------------|-----------|
| | Total: | \$1,000 | \$2,000 |
| | Total Enrollment: | 10 | 20 |
| (1) | Average Annual Per Pupil: (Total Funds divided by Total Enrollment) | \$100 | \$100 |
| | Students with Disabilities Count: | 5 | 10 |
| (2) | Minimum Target: (Avg Annual Per Pupil x Students with Disabilities Count) | \$500 | \$1,000 |
| | School Level Special Education Expenditures: | \$1,000 | \$600 |
| | Other Special Education: | \$500 | \$300 |
| (3) | Total Special Education Expenditures: (School Level Special Education + Other Special Education Expenditures) | \$1,500 | \$900 |
| (4) | Less Minimum Target: | \$1,000 | -\$100 |
| (5) | Met or DNM? | Met | DNM |

Directions:

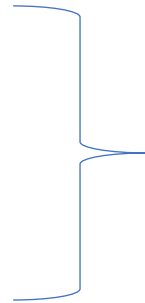
- Complete the empty red boxes.
- Determine if the LEA meets or does not meet for elementary and secondary.
- Does the LEA meet overall?
No

Excess Cost Portal Tabs

Two-Step Process

- Excess Cost Result Tab

- School
- District
- Calculations
- Audit Trail



Sub-tabs for Results

- Excess Cost Base Tab

- Calculations
- Audit Trail



Sub-tabs for Base

Excess Cost Navigation

The screenshot shows the MyGaDOE website interface. At the top, there is a search bar for districts and a navigation menu with letters A through Z. The main header includes the GaDOE logo, a message notification for 9284 new messages, and links for Help Desk Portal and Online Documentation. The left sidebar contains 'Site Navigation' (Home, Logout) and 'Exceptional Students' (SLDS Support, Consolidated Application, Data Collection, View Documents, GAORS, Invoice Application, GDOE User Admin, Monitoring, Message Center, Grants Application, EOPA Reports, COPS Planning). The main content area features a 'Surveys' widget with a table showing counts for New (0), Saved (0), Submitted (10), and Approved (10) surveys, with a 'More' link. Below this is a 'My Favorites' widget with 'Online Web Resources' and a 'More' link. A 'Preschool Assessment' widget includes 'Manage Entrance/Exit data' and an 'Administration' section with 'GTID Search'. A 'Focused Monitoring' widget shows '2010 records (Manage)'. A red arrow points from the 'More' link in the Surveys widget to a dropdown menu under 'Special Education Programs', where 'Special Ed Excess Cost' is highlighted with a red box.

| New (0) | Saved (0) | Submitted (10) | Approved (10) | Reports |
|--------------------------|-----------|----------------|---------------|---------|
| No new surveys available | | | | |

| | |
|----------------------------|---|
| Administration | ▶ |
| Title Programs | ▶ |
| Special Education Programs | ▶ |
| CTAE Programs | ▶ |
| Reports | ▶ |
| Manage Public Schools | ▶ |
| Online Help | ▶ |

| |
|-------------------------------|
| Special Education |
| Special Ed Excess Cost |
| Special Ed MOE |

Excess Cost Form Selection

Special Education Excess Cost Expenditures

Fiscal Year: 2020 ▼ District Name: Select District ▼

Excess Cost Result Excess Cost Base

School District Calculations Audit Trail

Note:

- The finance person generally completes the financial portion of the calculation.
- The special education director generally provides the enrollment information.

Excess Cost Result Tab

Special Education Excess Cost Expenditures

Fiscal Year: 2020 District Name: Select District

Excess Cost Result Excess Cost Base

School District Calculations Audit Trail

Excess Cost Result Tab

- School
- District
- Calculations
- Audit Trail

Sub-tabs

Excess Cost Base Tab

Special Education Excess Cost Expenditures

Fiscal Year: 2020 District Name: Status: New

Excess Cost Result: **Excess Cost Base**

Calculations Audit Trail

Excess Cost Base Tab

- Calculations
- Audit Trail

Sub-tabs

Submission Process

Order of Signoff

1. Coordinator

Audit Trail

2. Superintendent

Audit Trail

3. Program
Manager

Old Status

New Status

Comments

Changed By

Changed Date

Note:

- All should receive automated email notifications from the portal.
- The Audit Trail provides status information and comments.

What to Expect

- LEAs will access resources and enter expenditures in the FY2021 Excess Cost portal.
- This is a two-step process: Results and Base
- Student count information must be entered in the Results and Base tabs.
- All FY21 expenditures should be entered into the Results tab first and then signed off.
- The Base tab will automatically populate the “[Prior Year Average Annual School Level Per Student](#)” from the Results tab **after** GaDOE approves the Results tab.
- The Excess Cost Calculation deadline is January 31, 2022. [Note: LEAs must submit both the Excess Cost Results and Base calculations by the deadline.](#)

Excess Cost Verification

- The Special Education Budget Unit will review the Excess Cost Calculations submitted annually.
- LEAs must keep supporting evidence on file for expenditures entered.
- The Excess Cost Calculation is a monitoring indicator and will be reviewed during Cross Functional Monitoring.
 - Note: GaDOE reserves the right to verify the reporting of Excess Cost any time needed for evidence of free appropriate public education (FAPE), and subsequently to award IDEA funds.

Resources

Budget, Grants and Consolidated Application

FY 2022 Allocations

- FY 2022 Final Allocations
- FY 2021 Final Allocations
- Indirect Costs Calculator
- Sample District Budget Worksheet
- Budget Pages
- IDEA Allowable Expenditures

FY 2022 Consolidated Application

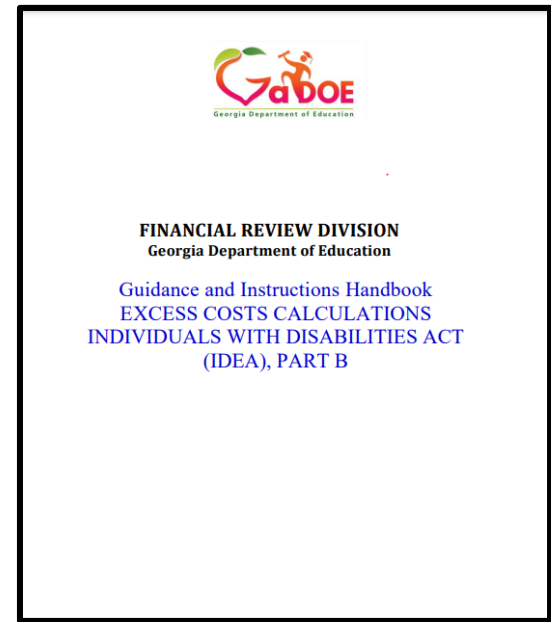
- IDEA Budget Submission Checklist
- Forms
- Proportionate Share Calculation Worksheet
- CCEIS Calculation Worksheet for Original Allocation and ARP Funds

Maintenance of Effort

- FY22 MOE Eligibility Worksheet
- Exceptions to MOE Compliance Requirement Form
- MOE Adjustment Form
- New Charter MOE Requirement Form

LEA Excess Cost Calculation

- Excess Cost Excel Template
- IDEA Excess Cost Handbook



IDEA Excess Cost Handbook

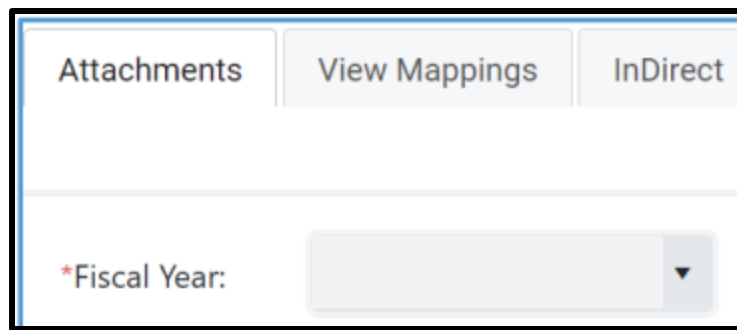
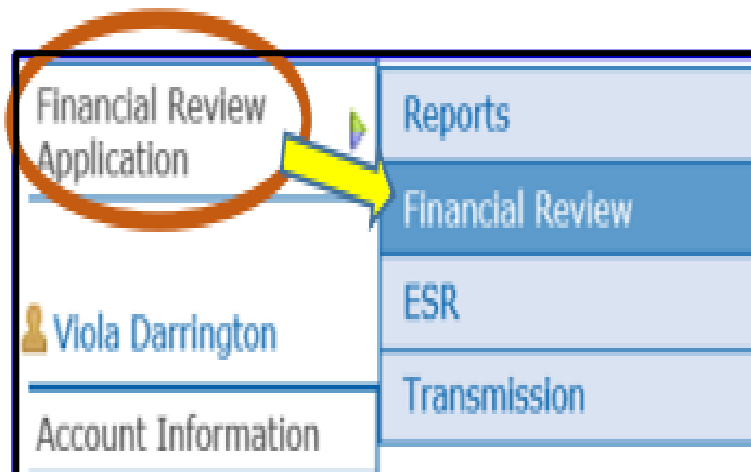
| EXHIBITS 5A - 5E | |
|--|--|
| Part A - Total District, State and Local Expenditures | EXHIBIT 5B |
| Expenditures for: 200 (State Revenue), Fund 200 (Capital Projects Funds), Fund 200 (Principal Accounts), Governmental Funds, Fund 200 (Adult Education), Fund 200 (Special Education), Fund 200 (Other Special Education), Fund 200 (Non-proprietary Trust Funds), Fund 200 (Enterprise Funds), Fund 200 (Capital Assets), Governmental Funds, Fund 200 (Special and Long Term Debt), Governmental Funds | Expenditures that are included in total but excluded with 200A, 200B, 200C, 200D, 200E, 200F, 200G, 200H, 200I, 200J, 200K, 200L, 200M, 200N, 200O, 200P, 200Q, 200R, 200S, 200T, 200U, 200V, 200W, 200X, 200Y, 200Z, 200AA, 200AB, 200AC, 200AD, 200AE, 200AF, 200AG, 200AH, 200AI, 200AJ, 200AK, 200AL, 200AM, 200AN, 200AO, 200AP, 200AQ, 200AR, 200AS, 200AT, 200AU, 200AV, 200AW, 200AX, 200AY, 200AZ, 200BA, 200BB, 200BC, 200BD, 200BE, 200BF, 200BG, 200BH, 200BI, 200BJ, 200BK, 200BL, 200BM, 200BN, 200BO, 200BP, 200BQ, 200BR, 200BS, 200BT, 200BU, 200BV, 200BW, 200BX, 200BY, 200BZ, 200CA, 200CB, 200CC, 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200YF, 200YG, 200YH, 200YI, 200YJ, 200YK, 200YL, 200YM, 200YN, 200YO, 200YP, 200YQ, 200YR, 200YS, 200YT, 200YU, 200YV, 200YW, 200YX, 200YY, 200YZ, 200ZA, 200ZB, 200ZC, 200ZD, 200ZE, 200ZF, 200ZG, 200ZH, 200ZI, 200ZJ, 200ZK, 200ZL, 200ZM, 200ZN, 200ZO, 200ZP, 200ZQ, 200ZR, 200ZS, 200ZT, 200ZU, 200ZV, 200ZW, 200ZX, 200ZY, 200ZZ |

Excess Cost Excel Template

Resources available on the [Budget, Grants and Consolidated Application webpage](#).

Resources

GaDOE Financial Review Division



- Excess Cost Data File by District
 - Extraction from the DE046 actual financials that were submitted for FY 2021
 - The finance person has access to the data file.
 - Financial Review will send a notification when it is available.

Documents Needed for the Excess Cost Calculation

- DE046 Financial Analysis Report – actual report
- October FTE reports
 - FT002 – Student Enrollment by Grade Level
 - FT017 – Special Education Child Count
- School-level state and local amounts expended for special education.
- Other state and local expenditures expended for special education.

Excess Cost

Tips for Submission



Enter **School** tab first under Excess Cost Result



Make sure **all** cells have data. Input zeroes (0) if no data is applicable.



Make sure to enter the student enrollment counts on the **School** tab



Save early, save often. The portal times out every 15 minutes.



Review available tools and resources



Students with disabilities count is on the FTE report FT017 (October)

Test Your Knowledge



1) What is supplanting?

a. It is a budgeting tool.

b. Replacing state and local funds with federal funds

c. Both A and B

2) What are the IDEA supplanting test(s)?

a. Excess Cost

b. MOE

c. Both A and B

3) What is the method for calculating whether an LEA has met the Excess Cost requirement?

- a. By expending the minimum average in non-IDEA funds on the education of students with disabilities
- b. By actually expending at least as much as the LEA expended in the previous year (comparison year)
- c. By actually expending less in state expenditures than the LEA expended in previous year (comparison year)

4) If an LEA does not meet Excess Cost, what must it do?

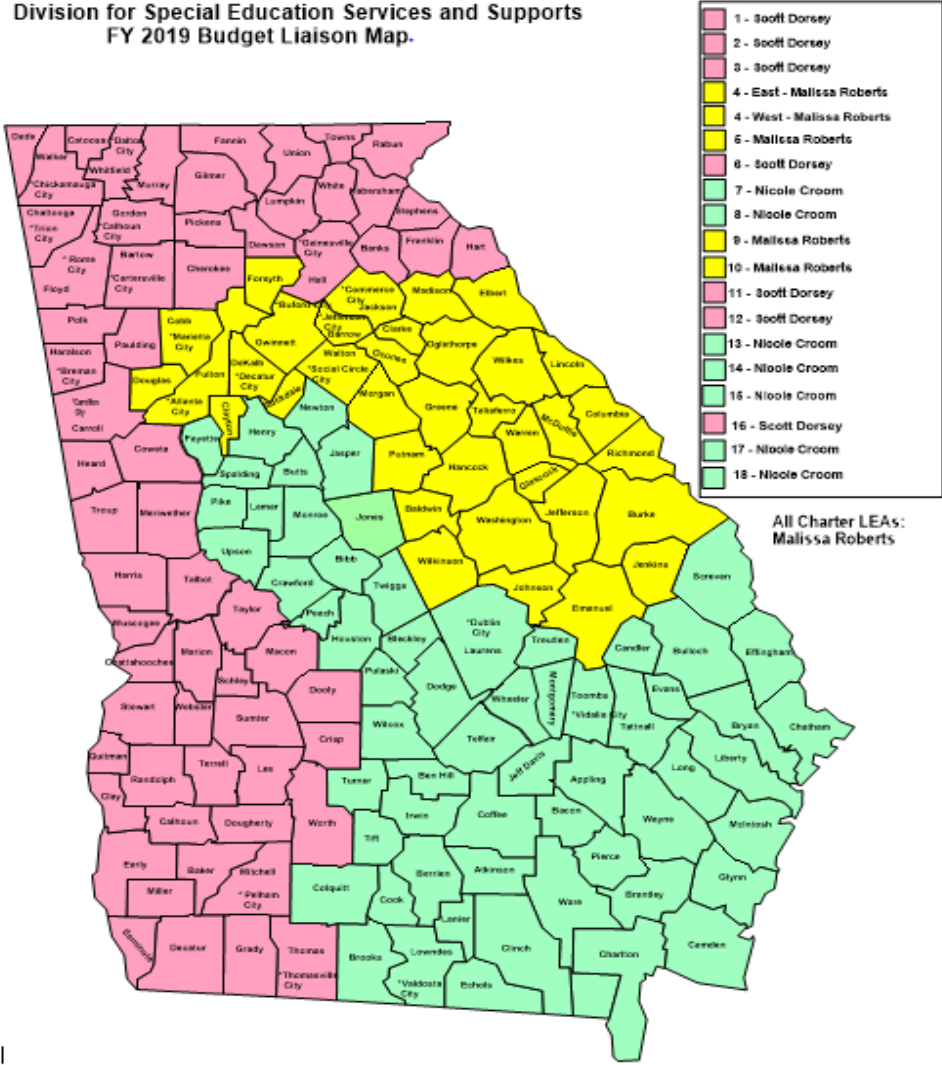
a. Submit documentation for a waiver of the Excess Cost requirement

b. Submit a request for exceptions and/or adjustments

c. LEA must meet or repay funds

Budget Liaison Map

Division for Special Education Services and Supports
FY 2019 Budget Liaison Map.





Questions?



Contact Us

We're Here to Help!

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**EDUCATING
GEORGIA'S FUTURE**

