

Excess Cost



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MISSISSIPPI
DEPARTMENT OF
EDUCATION

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VISION

To create a world-class educational system that gives students the knowledge and skills to be successful in college and the workforce, and to flourish as parents and citizens



MISSION

To provide leadership through the development of policy and accountability systems so that all students are prepared to compete in the global community



1

ALL Students Proficient and Showing Growth in All Assessed Areas



2

EVERY Student Graduates from High School and is Ready for College and Career



3

EVERY Child Has Access to a High-Quality Early Childhood Program

EVERY School Has Effective Teachers and Leaders

4



EVERY Community Effectively Uses a World-Class Data System to Improve Student Outcomes

5



EVERY School and District is Rated "C" or Higher

6







Microsoft Teams Reminders

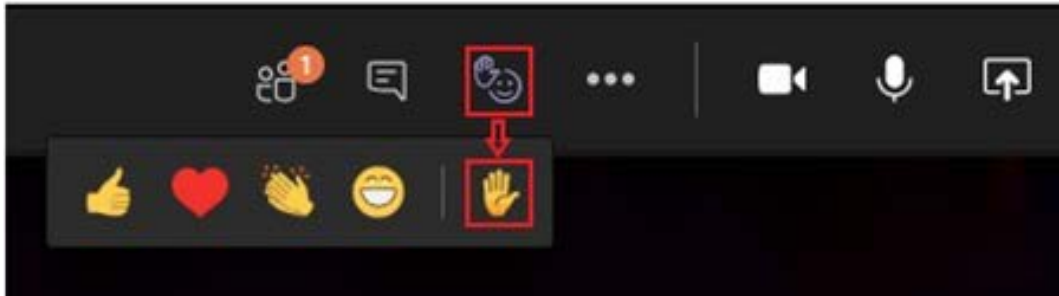


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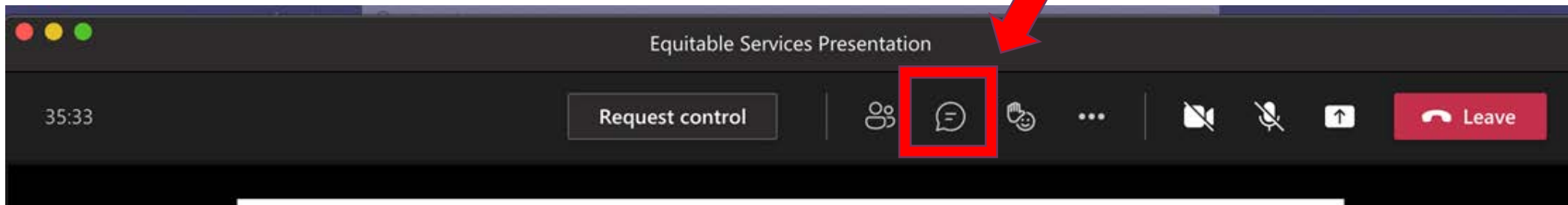
- Please mute yourself unless you have a question to reduce background noise
- Please cut the camera off to save bandwidth to reduce technical glitches
- Please ask questions throughout the presentation via chat or “raise hand” feature

Raise Hand" Feature

Just select **Show reactions**  in the meeting controls, and then choose **Raise your hand** . Everyone in the meeting will see that you've got your hand up.



- Please ask questions throughout the presentation via chat
- "Chat" Feature



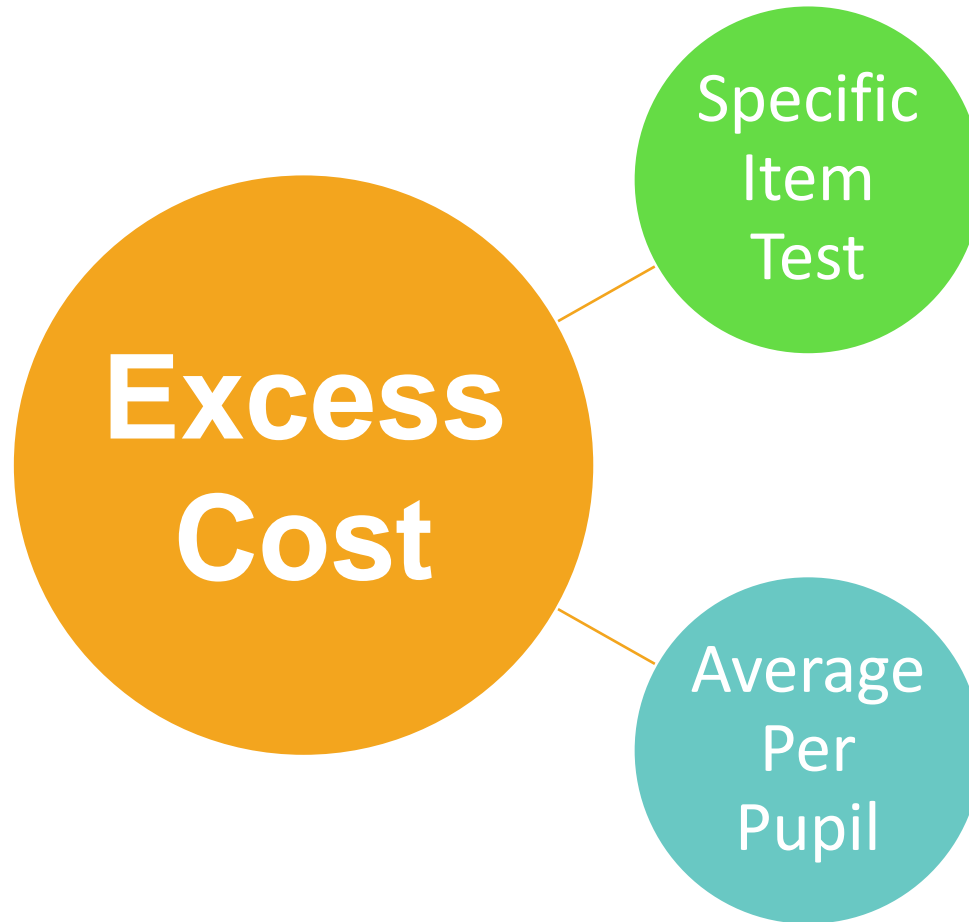
- To use the **chat** feature in Teams, simply click the "Chat" icon. The **chat box** will appear on the right. Type your message in the chat box and click the "Send" icon to send your question.

- This session will be recorded to increase availability and access to the technical assistance session.
- Recording will be available as a resource.

Excess Cost



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For a particular cost to be allowed, it must be an excess cost of providing special education and related services. It also must be necessary, reasonable, and allocable.

A cost must be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.

A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost.

A cost is allocable to a particular Federal award or other cost objective if the goods or services involved are chargeable or assignable to that Federal award or cost objective in accordance with relative benefits received.

EXAMPLE:

The Midnight School District purchased computers for all students utilizing District Maintenance Funds. The school district may utilize IDEA Part B funds to cover the excessive cost of additions to the basic computer or a specific computer that meets the specific needs of the student in accordance with their IEP or disability needs.

IDEA Part B funds may only be used to pay the “excess costs” of providing special education and related services to students with disabilities 34 CFR 300.202(a)(2). The purpose of this requirement is to prevent LEAs from using Part B funds to pay for all the costs directly attributable to the education of students with disabilities (SWDs).

To comply, LEAs must spend at least the average annual per student expenditure (APPE) on the education of an elementary school and secondary school SWDs before Part B funds are used to pay the “excess costs” of providing special education and related services.

- The excess costs test is not a year-to-year comparison. It is a test, over the course of a single year, to determine whether or not an LEA spent a minimum average amount for the education of elementary and secondary school children with disabilities before using IDEA funds.
- LEAs must use the final expenditures, enrollment, and child count data from the most recent year for which data are available.
 - FY22 Review – Data used will be FY22 Expenditures, FY22 Month 1 Enrollment, and FY22 Month 1 Child Count Data

EXCESS COST FORMULA SPECIAL EDUCATION

<u>Step 1</u>	<u>Step 2</u>	<u>Step 1 less Step 2</u>
All Funds GL Code = 900 (Expenditures) Expenditure Functions: 1000 – 1999 Instruction 2000 – 2999 Support Services 3000 – 3999 Non-Instructional Serv. 4000 – 4999 16 th Section Object Codes: All objects EXCEPT 700's	Funds: 1130 – Special Education 2211 – Title I 2560 – Title III 2599 - IDEA ARP 2600 - Preschool ARP 2610 – Part B 2620 – Preschool 3000 – 3999 Capital Project Funds 4000 – 4999 Debt Service Funds GL Code = 900 (Expenditures) Expenditure Functions 1000 – 1999 Instruction 2000 – 2999 Support Services 3000 – 3999 Non-Instructional Serv. 4000 – 4999 16 th Section Object Codes: All objects EXCEPT 700's <u>AND:</u> Fund: 1120 – District Maintenance GL Code = 900 (Expenditures) Expenditure Functions: 1220 – 1225 Spec Education 2150 – 2159 Speech & Audiology Object Codes: All objects EXCEPT 700's	

Excess costs are costs in excess of the average annual per-student expenditure in an LEA during the preceding school year for an elementary school or secondary school student that must be computed after deducting amounts received under IDEA Part B; Part A of Title I of the ESEA; Part A of Title III of the ESEA; and any State or local funds expended for programs that would qualify for assistance under any of the parts described in paragraph (a) of §300.16, but excluding any amounts for capital outlay or debt service.

LEAs who are provided funds under Part B of the Act must expend at least the average annual per student expenditure on the education of an elementary school or secondary school child with a disability before funds under Part B of the Act are used to pay the excess costs of providing special education and related services.

- After all expenditures have been entered into the spreadsheet. The summary tab will determine if the LEA has met or not met excess cost.
- If the LEA has not met excess cost, the LEA will have to journal expenditures from IDEA to District Maintenance before submitting FETS data.
- OGM will still calculate excess cost after FETS is submitted; however, the LEA will not be able to make any corrections to the data beyond October 15th. Therefore, it is imperative that each LEA reviews the Excess Cost calculation prior to the submission of FETS.

LEAs that fail to meet Excess Cost will be required to repay IDEA, Part B utilizing state/local funds.





Excess Cost

Questions ?





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