
MEMORANDUM

TO: Business Managers
FROM: Jennifer Perry, Special Education Finance Specialist
SUBJECT: Excess Cost Test - Supplement to IDEA-B Assurance Package for FY-2021
DATE: April 19, 2021

Purpose

This is to notify you of the annual excess cost documentation requirement for IDEA-B, which is part of the FY-2021 IDEA-B grant application assurance package. This excess cost documentation is a calculation sheet that demonstrates the LEA's ability to cover the requirements of the excess cost provision under IDEA-B federal regulation §§300.16 and 300.202 (b), and at Appendix A to Part 300. According to these sections, IDEA Part B funds can be used only for "excess costs" which are defined as those expenses that, in sum, are above and beyond what is spent on average on an elementary or secondary school student.

Excess Cost Calculation

The excess cost test for the FY-2021 grant year must be completed using FY-2020 cost information and FY-2021 Child Count (Dec. 1, 2020). Because of timing of the availability of final data necessary to complete the calculation sheet, each supervisory union and supervisory district must submit the completed calculation sheet (FY2021 Supplement LEA Plan Form) before the end of the grant year.

Section A of the excess cost test calculates the Average Per Pupil Expenditure (APPE) for Elementary (K-6) and Secondary (7-12) students. Please note that we use the federal language of state and local funds when the "local" funds are really state education spending funds. Section B uses the APPE to determine the minimum amount of state and local funds to be spent on the education of students with disabilities in FY-2021, and section C shows the amount of expenditures that are requisite in order for the SU to meet the minimum expenditure amount excess cost requirement.

The expenditures calculated in Section C, Number 3 are for the education of students who are eligible for special education and include both the special education and regular education cost for these students. The concept for including regular education cost of special education students is only for costs **reasonably attributable** to the special education students. Based on information provided by OSEP, the regular education cost allowed would need to be specific and **would not include** multiplying the tuition charge by the number of special education

Contact Information:

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students. It would need to be more directly related to the specific services the special education students received – the example OSEP uses is to include the portion of a regular education teacher’s salary and benefits based on the students with disabilities being served in the teacher’s classroom.

If you need to include regular education costs to meet the minimum expenditure amount, we suggest using proportional regular education costs, given the student count data that you have available. If, for example, you have student counts for transportation and costs available, you could use the regular education transportation cost for special education students who ride regular education buses. So, if the average transportation cost for K-12 students is \$560 per student for the year and if, on average, 50 special education students ride the regular education bus, then \$28,000 could be considered as part of the regular education cost for special education students.

Submission

The completed Supplement to IDEA-B Local Education Agency Plan for FY-2021 needs to be submitted by May 7th for the current grant year. If you have questions about completing the Supplement to IDEA-B Local Education Agency Plan for FY-2021, please email jennifer.perry@vermont.gov.

The completed Supplement signed by the superintendent should be mailed to:

Vermont Agency of Education

Attn: Rilla Farnham

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