Excess Cost Requirement

What is it?

Where did it begin?

Originally in Hyde Amendment of 1970.

The term was included in all reauthorizations of IDEA.

What does it mean?

You must spend, in aggregate, at least as much for services to children with disabilities, in elementary schools and secondary schools, as you spend for the education of children without disabilities. You spend for the education of children without disabilities pursuant to Part B of the IDEA. You don’t have to exceed expenditures.

How does it apply to IDEA funds?

Can all three tests for the appropriate expenditure of IDEA funds are (A) those for the purpose of Part B, (B) those for K-12, and (C) those for the purpose of the IDEA Act.

How does it work?

Calculate, control, and document expenditures of funds for the education of children with disabilities in elementary schools and secondary schools (expenditure).

Why?

All children are entitled to the same educational opportunities.

And at the end of day?

Excluding in the 1983 Best Compliance Supplement. Since 1990, you can expect to be audited. The excess test. Included in IDEA’s fiscal audits of states, particularly if your state is monitoring LEAs to determine whether they are meeting the excess cost requirement.
Excess Cost Requirement

What is it?

How does it apply to IDEA formula?
One of three tests for the appropriate accommodation of IDEA funds: (1) used for purposes of Part B, (2) used only for the excess cost of special education and related services, and (3) used to implement, test, operated State and local funds used for special education and related services (IDEA).

How does it work?
Calculates, reports and documents each state that for the education of children with disabilities in elementary and secondary schools, and necessary services (including).
Where did it begin?

Originally in IDEA when it was the EHA - P.L. 94-142

Has been included in every reauthorization of IDEA
What does it mean?

You must spend, in aggregate, at least as much for the education of children with disabilities, in elementary schools and secondary schools, as applicable, as you spend for the education of children without disabilities BEFORE you expend funds under Part B of the IDEA (does not have to be sequential expenditures).
How does it apply to IDEA funds?

One of three tests for the appropriate expenditure of IDEA funds: (A) used for purposes of Part B; (b) used only for the excess cost of special education and related services; and (3) used to supplement, not supplant State and local funds used for special education and related services (MOE).
How does it work?

Calculate, expend and document expenditure of funds for the education of children with disabilities in elementary schools and secondary schools (separately).
Why?

Children with disabilities are children first.

All children are entitled to the same educational opportunities.
And at the end of day?

Included in the A-133 Audit Compliance Supplement since 2010 so you can expect to be audited on excess cost.

Included in OSEP’s fiscal audits of States, particularly in how States are monitoring LEAs to determine whether they are meeting the excess cost requirement.
Excess Cost Requirement

What is it?

How does it apply to IDEA titles?
One of three tests for the appropriate accommodation of IDEA funds: (1) must be based on the excess cost of special education and related services; and (2) must be implemented, that is, applied State and local funds and for special education and related services (IDEA).

How does it work?
Calculates, reports and documents, in accordance with IDEA for the purposes of special education and related services, (a) and (b) and is applied, that is, applied State and local funds and for special education and related services (IDEA).

What does it mean?
You must spend, in aggregate, at least as much for the education of children with disabilities as you spend for the education of non-disabled children with disabilities, or in aggregate, at least as much for the education of children with disabilities as the non-disabled children served in Part B of the IDEA, unless you have to be separated expenditures.

Why?
Children with disabilities are children first.
All children are entitled to the same educational opportunities.

Where did it begin?
Initially in IDEA when it was the IDEA - '75, 102.
Its been included in every reauthorization of IDEA.

And at the end of day?
Included in IDEA's Addendum supplement since 1990 so you can expect to be audited on excess cost.
Included in GSEPs' fiscal audits of States, particularly in low States and monitoring states to determine whether they are meeting the excess cost requirement.