



Illinois State Board of Education

Special Education

Learn about the updated FY 2022 IDEA Excess Cost process

The fiscal year 2022 IDEA Excess Cost process has changed. Join us for a webinar from **1-3 p.m.** on **Wednesday, Feb. 2**, to learn more and have your questions answered.

The updated excess cost calculation should use information from the same fiscal year to determine if excess cost has been met. This change is due to many districts having difficulty meeting excess cost in states where the calculation contained information from more than one fiscal year. This has been especially true in years with increased funding for education. This adjustment should make it easier for districts to meet the excess cost requirement during this period of increased funding.

[Register Now](#)

After registering, you will receive a confirmation email containing information about joining the webinar.

Why is the excess cost requirement calculation changing?

The National Center for Systemic Improvement (NCSI), a national technical assistance provider funded by the Office of Special Education Programs to provide technical assistance to states, released a statement that informed states that the excess cost calculation should use information from the same fiscal year to determine if excess cost has been met. NCSI released this statement because many districts were having difficulty meeting excess cost in states where the calculation contained information from more than one fiscal year. This has been especially true in years with increased funding for education. This adjustment should make it easier for districts to meet the excess cost requirement during this period of increased funding.

What isn't changing for the FY 2022 excess cost requirement?

Excess Cost General Information

- All Illinois school districts and state charter schools must submit excess cost information to the Illinois State Board of Education. As a reminder, school districts will complete their Excess Cost Application in IWAS and charter schools will complete an Excess Cost Worksheet emailed to them.
- The excess cost system will show up for the program administrator but others needing access to the system will need to "Sign up for new systems" in IWAS. The system is listed under active grants and it is titled "IDEA Excess Costs."
- The system includes the information similar to previous Excel worksheets. A review checklist that follows a similar format as other IWAS systems is included.
- Expenditures - The excess cost calculation is specific to district FY 2021 expenditures (not revenue, not budgets). Districts must use the expenditures section of the Annual Financial Report to complete the worksheet.
- Data Sources: Calculation of the FY 2022 IDEA Excess Cost requires the following:
 - FY 2021 total student enrollment (October 2020 Fall Enrollment) - Available on the IDEA grant webpage.
 - FY 2021 Annual Financial Report.
 - FY 2021 number of students with Individualized Education Programs (IEPs) - Available on the IDEA grant webpage.
 - FY 2021 IDEA excess cost in IWAS - The instructions and the Excel worksheet will direct users to the appropriate data sources.
 - FY 2021 number of elementary and secondary students with IEPs who are in a regular classroom 80% or more of the day, 40-79% of the day, and 0-39% of the day.
- Resources: In addition to the instructions, other excess cost resources, such as an IDEA Excess Cost webinar, are available on the IDEA grant webpage. The instructions and the IWAS system will direct users to the appropriate data sources. The IDEA Excess Cost Instructions and resources are available on the [IDEA grant webpage](#).
- Excess Cost Timeline: The Excess Cost Application in IWAS (school districts) and the Excess Cost Worksheet (state-approved charters) must be completed and submitted to IDEA grant coordinators no later than March 1, 2022.

What is changing for the FY 2022 excess cost requirement?

Adjustment to the order information is entered

On the ESEA Title and IDEA Expenditure tab, Title I Part A and Title III Parts A and B are now listed first, before IDEA. For Title I Part A and Title III Parts A and B, please report 100% of expenditures, regardless of the revenue source. This means that all expenditures paid with federal, state, and local funds should be reported for Title I Part A and Title III Parts A and B.

- Section D-1: Report 100% of expenditures for Title I Part A and Title III Parts A and B, regardless of revenue source.
- Section D-2: Report IDEA federal expenditures. Please note: You will ONLY report IDEA expenditures paid with federal funds; the remaining special education expenditures paid with state and local funds are reported in Section D-3.
- Section D-3: Report all other special education expenditures (i.e., all special education expenditures paid with state and local funds).

Excess cost calculation

Starting in FY 2022, the threshold used to determine if a district has met excess costs will be calculated from the **same year** as the comparable expenditures. This is unlike previous years, when the threshold was determined in one year and used in the following year. As a result, the process to determine if districts have met excess costs has changed.

- The threshold will be determined using the FY 2021 number of students with IEPs multiplied by the FY 2021 average per pupil expenditure.
- To determine if a district has met excess costs in FY 2021, the threshold will be compared to the total of all three levels of special education expenditures explained below to ensure excess cost has been met.

A description of the three levels of expenditures to be used is as follows:

Level One Expenditures - State and Local Special Education Expenditures

These are already identified and totaled on the ESEA Title and IDEA Expenditure tab. They consist of district's direct expenditures for special education students that are not covered by their IDEA funds. This total will automatically be populated within IWAS.

Level Two Expenditures

These are expenditures for items that are equally available to all students (e.g., media, school lunch, school administration, attendance, guidance, etc.). Since they are equally available to all students, multiply the expenditures by the percentage of students with disabilities in the district. The percentage of students who are special education will be calculated based on the number of students with IEPs divided by the total enrollment.

- To obtain the total expenditures allocated equally to all students, districts will need to identify and subtract the cost for Direct Instruction (Line 5 less Capital Outlay and Non-Capitalized Equipment) from the district's total adjusted expenditures.
- Total adjusted expenditures, less Direct Instruction (Line 5) will be multiplied by the percentage of students with disabilities in the district.

Level Three Expenditures

These are expenditures for students with disabilities participating in general education. One must look at the percentage of time the students with disabilities spend in general education classrooms to determine the amount of Direct Instruction that can be included.

- ISBE has loaded the number of elementary and secondary students with IEPs who are in a regular classroom 80% or more of the day, 40-79% of the day, and 0-39% of the day.
- IWAS will calculate the amount of Direct Instruction that can be included for these students from the number of students with IEPs who are in general education classrooms for each of the three categories.

Other adjustments (Usually non-applicable)

There are additional options to add or subtract expenditures from the above calculation. Most districts should meet excess costs using the three tiers detailed above. If a district needs

to use the other adjustments, please include an explanation indicating the reason for additional expenditures to be added or subtracted.

IDEA grant coordinators are available for questions as districts work through this process. Please direct questions to your IDEA grant coordinator by email -- Josh Green at jgreen@isbe.net, Kristin Lessen at klessen@isbe.net, and Sam Worth at sworth@isbe.net.

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