

Title I Excess Carryover – April 2017

Federal regulations for Title I require that states limit the amount of funds carried over to a subsequent fiscal year. Only 15% of the current year allocation, for those LEAs with > \$50,000 current year allocation, is allowable. Another way to look at this would be that LEAs must spend all carryover and 85% of the current year allocation. Carryover exceeding 15% is considered excess and will be reduced from total funds available.

Notification will be made if:

- a) The LEA has excess carryover in the current year project based on ACTUAL expenditures over a 15-month period (final report from current year plus 1st quarter of next year)
- b) The LEA has potential excess carryover into the next year's project based on unbudgeted funds within the current year application

There are three options available if you have potential excess carryover:

- a) Funds can be relinquished. (These funds are used for reallocation to other LEAs.)
- b) An excess carryover waiver can be requested. A waiver request must be submitted prior to the project end date and instructions can be found at https://www.isbe.net/Documents/carryover_waiver.pdf#search=title%20i%20carryover.
-See attached spreadsheet for approved waivers from the last four years.
- c) An amendment can be submitted for the total funds available and expenditure of these funds can be completed. Amendments must be submitted at least 30 days prior to the project end date.

It is the LEA's responsibility to be aware of the total funds available and if there is a possibility of excess carryover into the next fiscal year.

Here is a worksheet that can help you determine if there could be a potential excess issue. (These amounts can be found in FRIS Inquiry - from the ISBE homepage at www.isbe.net.)

1	Carryover Funds (prior year funds due)	
2	Prepayment (prior year funds received, unexpended)	
3	Transfer from Title IIA	
4	Current Year Allocation	
5	Total Funds Available (TFA) (1+2+3+4)	
6	Expenditures to date	
7	Unexpended Balance (5-6)	
8	Allowable Carryover (15% current allocation)	
9	Potential 1 st quarter expenditures	
10	Potential Excess Carryover (6-7)	

Example of a completed worksheet:

1	Carryover Funds (prior year funds due)	1,000
2	Prepayment (prior year funds received, unexpended)	0
3	Transfer from Title IIA	0
4	Current Year Allocation	<u>62,941</u>
5	Total Funds Available (TFA) (1+2+3+4)	63,941
6	Expenditures to date	<u>25,000</u>
7	Unexpended Balance (5-6)	38,941
8	Allowable Carryover (15% current allocation)	9,441
9	Potential 1st quarter expenditures	5,000
10	Potential Excess Carryover (7-8-9)	23,500

Below is a monthly timeline of events

MONTH	ISBE Funding and Disbursements	LEA
July	-Approved budgets rolled into FRIS if: -Budget approved by Governor -Appropriations set up in MIDAS -Next FY set up in FRIS	-June 30 cumulative expenditure report due (7/20)
August		-as final expenditure reports are approved for the prior year, carryover is rolled into the next year's project
September	-Traditionally, final allocations available and loaded into eGMS	-if end date extended to August 31, then August 31 cumulative expenditure report due (9/20) -if outstanding obligations on the June 30 th report, final report due (9/20)
October		-1 st quarter current year cumulative expenditure report due (10/20) (this report total is used to reduce amount of excess into the current year project)
November		-if there were outstanding obligations on the August 31 expenditure report, final expenditure report due (11/20)
December	-Traditionally, allotments reduced due to excess and letters sent to LEAs	
January	-Traditionally, potential excess letters sent to LEAs	-2 nd quarter cumulative expenditure report due (1/20)
February		-Traditionally, response letters from potential excess letters due to ISBE
March		
April	-Traditionally, Superintendent's Bulletin article published reminding LEAs to be aware of carryover to avoid excess	-3 rd quarter cumulative expenditure report due (4/20)
May	-Traditionally, next FY projected allocations available and loaded into eGMS -Traditionally, the next FY application ready for application	-Traditionally, apply for next FY ESSA/NCLB Consolidated grants
June		

See the Title I tool kit at <https://www.isbe.net/Pages/NCLB-Toolkit.aspx> for general Title I information.

Please contact your program consultant for information regarding your Title I program. If you have questions on the Title I excess process, please contact the Illinois State Board of Education Funding and Disbursements Division at 217/782-5256.