



Illinois State Board of Education

100 North First Street • Springfield, Illinois 62777-0001
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James T. Meeks
Chairman

Tony Smith, Ph.D.
State Superintendent of Education

MEMORANDUM

TO: Directors of Special Education

FROM: Tim Imler, Division Administrator
Division of Funding and Disbursement Services

SUBJECT: Approval/Claim guidelines for students eligible for Excess Cost under Section 14-7.02b

In August 2004, HB 4225 (PA 93-1022) repealed Section 14-7.02a and changed the distribution method for all students who were previously claimed individually under Special Education Extraordinary. One of the components of the new law is the provision of funding for students “whose program costs exceed 4 times the district’s per capita tuition rate”. Student claims began with the 2004-05 school year and continue thereafter. The purpose of this memo is to outline the approval and claim guidelines for students who may be eligible to be claimed for “Excess Cost”.

APPROVAL

Fund codes “X” and “J” have been designated to identify students who are placed in Illinois public school programs and whose educational costs exceed four district per capita tuition charges.

Local education agencies must transmit students that may be eligible for Excess Cost following the special education transmission due dates published by the Illinois State Board of Education each school year. Please note that the required transmission in June is the final opportunity to **add** a student that you believe may be eligible for excess cost.

CALCULATION OF COST

The calculation of special education costs for eligible students served in district or cooperative programs are governed under the authority of Section 14-7.01 of the School Code and are detailed in Administrative Rule under [Part 130 Determining Special Education Per Capita Tuition Charge](#). Cost documentation and calculations for all special needs pupils are to be retained locally and subject to audit by the Division of Federal and State Monitoring.

The following are some general guidelines that you may use to help determine whether a student may qualify for excess cost. Please note that these are guidelines only. If you are in doubt about the potential eligibility of a student, transmit the student approval record with an Excess Cost fund code to be safe. Some indicators of students with potential excess cost are:

- 1.) Students whose costs were over 3 per capita tuition charges last year;
- 2.) Students with related services such as individual aides, interpreters, special equipment or contractual services; or
- 3.) Students with a primary disability category code of A, C, E, F, G, H, K, L, M, N, O or P.

TRANSPORTATION

Previously, under Section 14-7.02a, 20% of a student's transportation cost was calculated along with his/her education cost. The 20% calculation should also be included in the calculation and claim for excess cost. However, you must have special transportation approved as a related service (Code 25) in order to include transportation along with the education cost. If transportation is not approved, it will not be considered in the eligibility calculation even if it is reported.

REIMBURSEMENT

Section 14-7.02b requires that Excess Cost reimbursement be distributed from unused federal IDEA Room and Board funds. If Excess Cost claims exceed the unused amount, reimbursement will be prorated.

Reimbursement will be distributed based on the difference between the actual student cost, including 20% transportation if applicable, and 4 resident district per capita tuition charges. Students will be claimed by entering the following required data fields: Days in Session; Days Enrolled; 1.0 ADE (Full Time Equivalent) Education Cost; and 20% Transportation Cost (if applicable).

Reimbursement Example for an Excess Cost Student:

Days Enrolled = 150

Days in Session = 176

Average Daily Enrollment (ADE) = .852 (Days Enrolled divided by Days in Session)

Full Time Equivalent (FTE) Cost = \$25,000

Actual Education Cost = \$21,300 (ADE multiplied by FTE Cost)

Approved Transportation at 20% = \$700 (Actual amount)

Total Cost = \$22,000 (Actual Cost plus Transportation)

Resident District Per Capita Tuition Charge = \$5,000

Adjusted Per Capita = \$4,260 (Full Per Capita X ADE)

Reimbursement = \$4,960

Total Cost (\$22,000) Minus 4 Times Adjusted Per Capita Tuition Charge (4 X \$4,260)

CLAIM AND EDIT PROCESS

Claims for excess cost students must be transmitted to Harrisburg Project by **August 15** each year. Edit checks will be performed by the ISBE once the file is received. Staff from the ISBE will contact you if clarification is needed to correct claim data. Final calculations will be determined and reimbursement will be vouchered no later than September 30.

If you have any questions about the contents of this memorandum, please contact the following staff in Funding and Disbursement Services at 217-782-5256:

FACTS Approvals: Jamie Johnson jjohnson@isbe.net

Cost Calculations/Sp Ed Excess Cost Claims: Jodi Whitlow jwhitlow@isbe.net

Technical questions regarding iePoint[™] or NetCheck software should be directed to Harrisburg Client Support at support@hbug.k12.il.us or 1-800-635-5274.