



Special Education Allowable Use of Funds

LEA Training

Presenter(s)



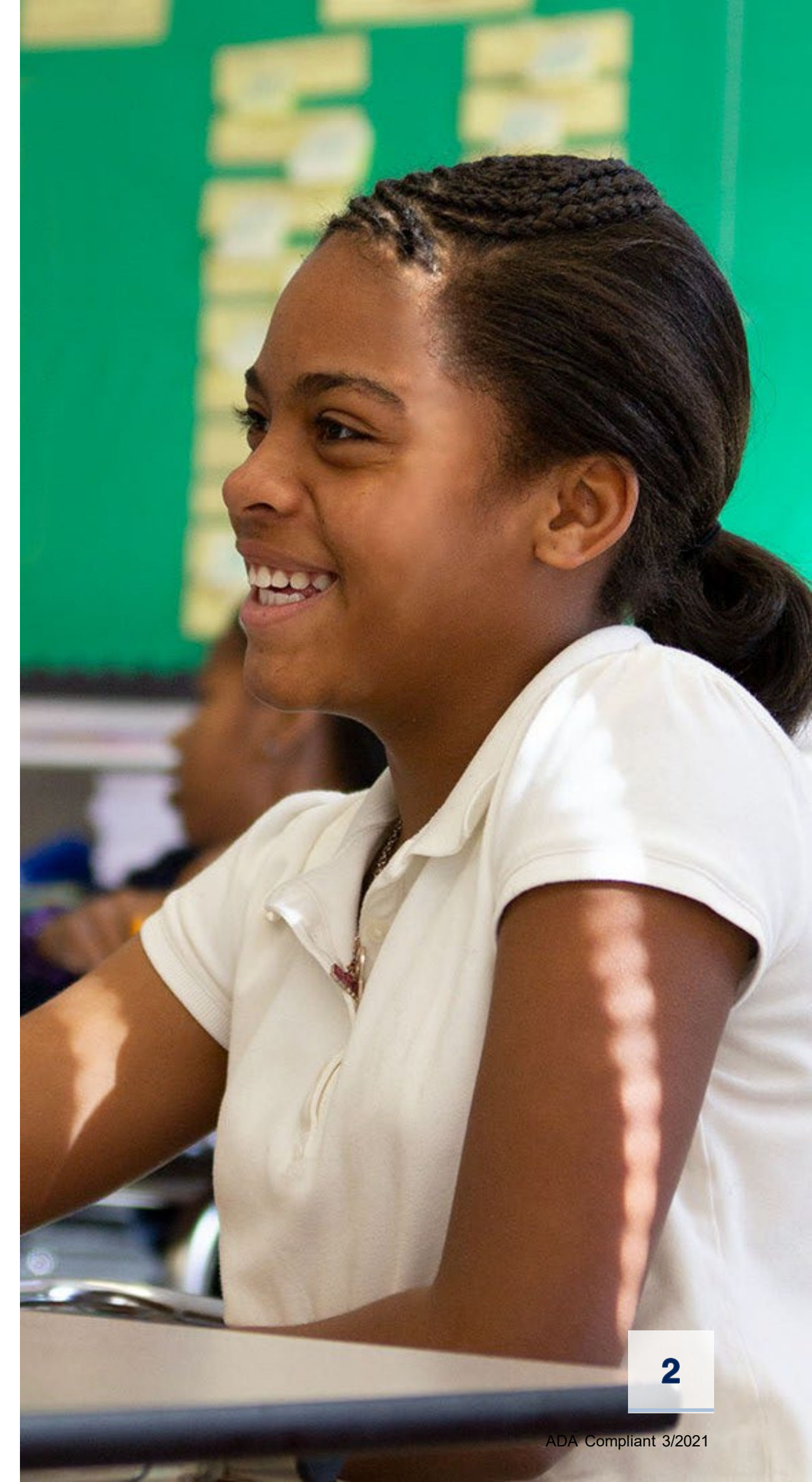
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Session Objectives

- Understanding of critical federal and state regulations governing allowable use of funds in Special Education
- Locate and tag related resources
- Understanding the concepts of obligation and period of performance
- Develop the ability to use a decision tree to determine allowability of costs



Agenda

- Regulations Governing Allowable Use of Funds
- Factors Determining Allowable Cost
- Obligations of Funds
- Allowable Cost Decision Trees
- Do It Yourself (Test Your Knowledge)
- Resources

Question 1

How would you rate your knowledge of allowable use of funds under IDEA?

- a. Very strong
- b. Strong
- c. Fair
- d. Weak

Acronyms

U.S.C. – United States Code

CFR – Code of Federal Regulation

IDEA – Individuals with Disabilities Education Act

EDGAR – Education Department General Administrative Regulations

SWD – Students with Disabilities

LEA – Local Educational Agency

UGG – Uniform Grant Guidance

USBE – Utah State Board of Education

FFP – Federal Financial Participation

Introduction

Regulations Governing Allowable Use of Funds



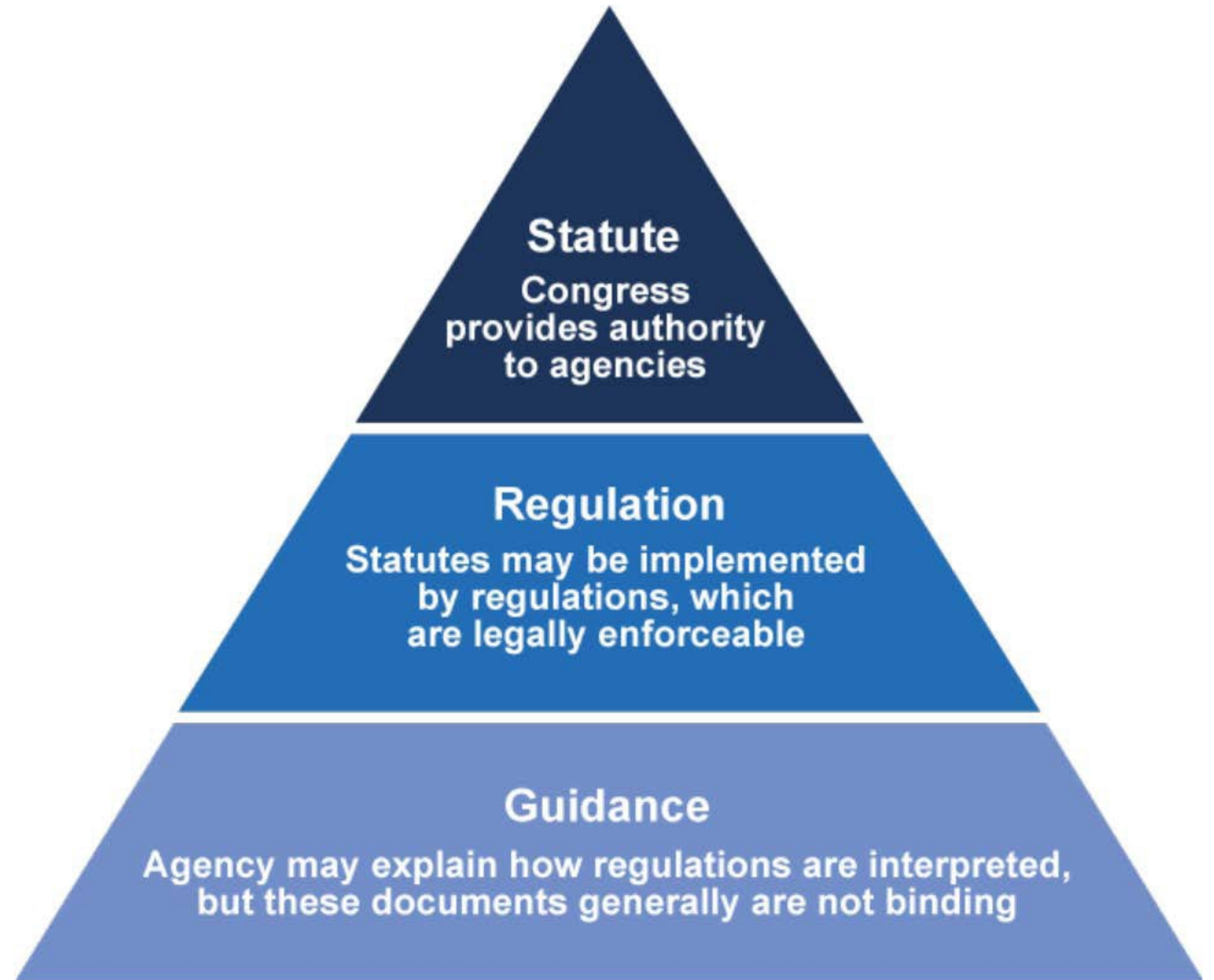
Federal Regulations

Understanding the Structure



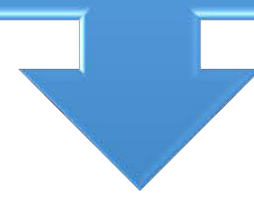
Federal Regulations

- A United States Code (U.S.C.) is a law that has been passed by the US Congress
- A Code of Federal Regulation (CFR) is the interpretation of the law by the relevant federal agency
- A non-regulatory guidance is the interpretation of the regulation by the relevant federal agency



Federal and State Grant Management Laws and Regulations

Title 20 USC Chapter 33 IDEA Part B



34 CFR Part 300



Education Department General Administrative Regulations (EDGAR)

Uniform Grant Guidance

[2 CFR Part 200](#) ; [Part 180](#) ; [Part 3474](#) & [Part 3485](#)

State Program Administration Regulations

[34 CFR Part 75-79.81.82.84.86 & 97-99](#)



State of Utah Education Codes

USBE Administrative Rules and Policies

Question 2

Which one of the following is a state or federal law and/or regulation governing Allowable Use of Funds under IDEA?

- a. IDEA
- b. EDGAR
- c. State of Utah Education Codes
- d. All the above

Allowability of Cost

Factors for determining allowability under IDEA and EDGAR

Use of Funds

34 CFR §300.202

- Must be used only to pay the excess costs of providing special education and related services to children with disabilities.
- Must be used to supplement State, local, and other Federal funds and not to supplant those funds.

IDEA

Excess Cost Requirements

34 CFR §300.202(b)

- Prevents an LEA from using IDEA funds to pay for all of the costs directly attributable to the education of a child with a disability.
- Does not prevent an LEA from using Part B funds to pay for all of the costs directly attributable to the education of a child with a disability, if no local or State funds are available for nondisabled children of these ages.
- However, the LEA must comply with the nonsupplanting and other IDEA requirements.

Supplement not Supplant

34 CFR §300.164 Waiver of the Requirement

- Funds paid to a State under Part B of the Act must be used to supplement and not supplant other Federal, State, and local funds expended for special education and related services.
- Except as provided under 34 CFR §300.202 through 300.205 which cover ***Use of Amount and LEA MOE.***

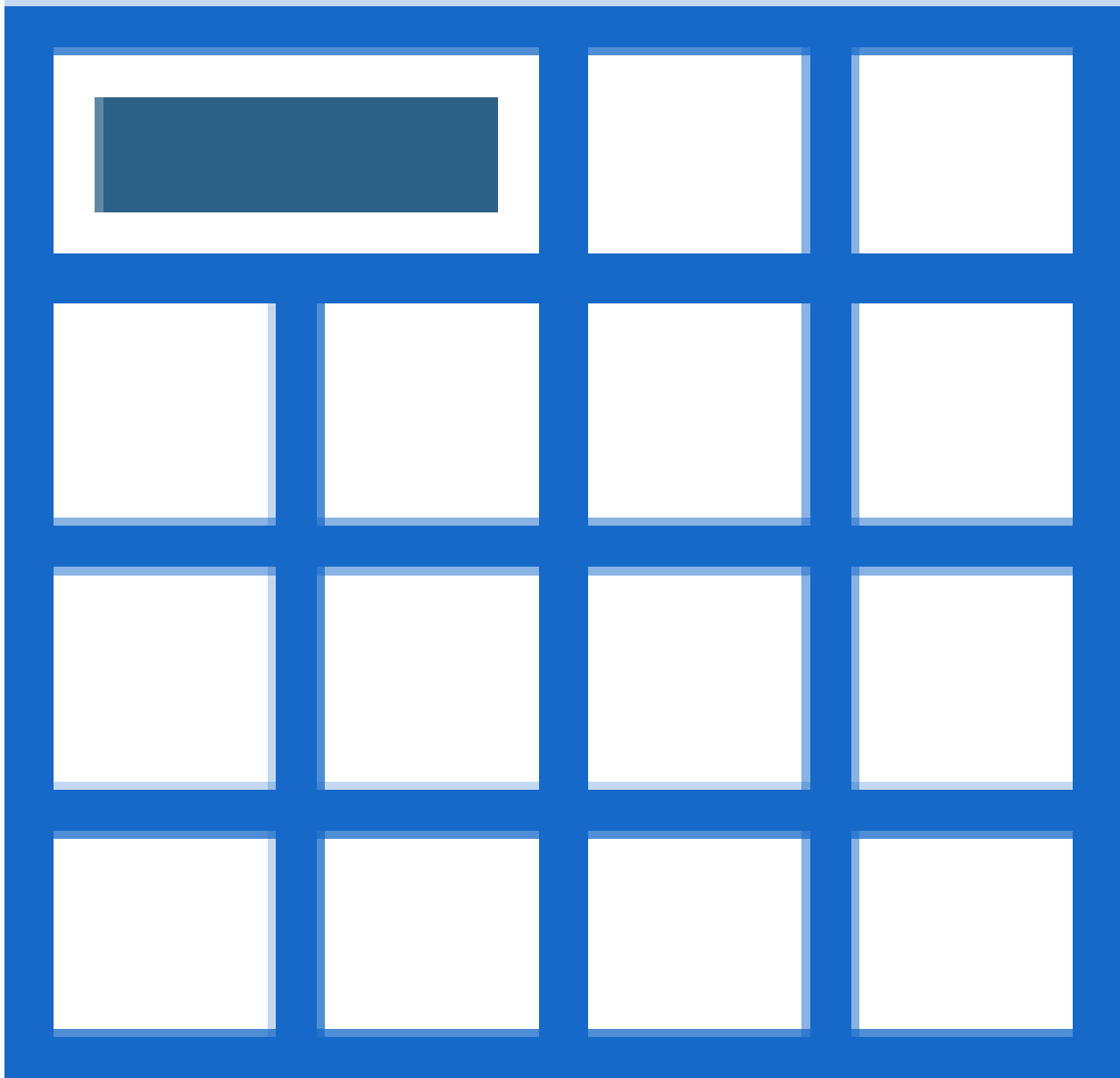
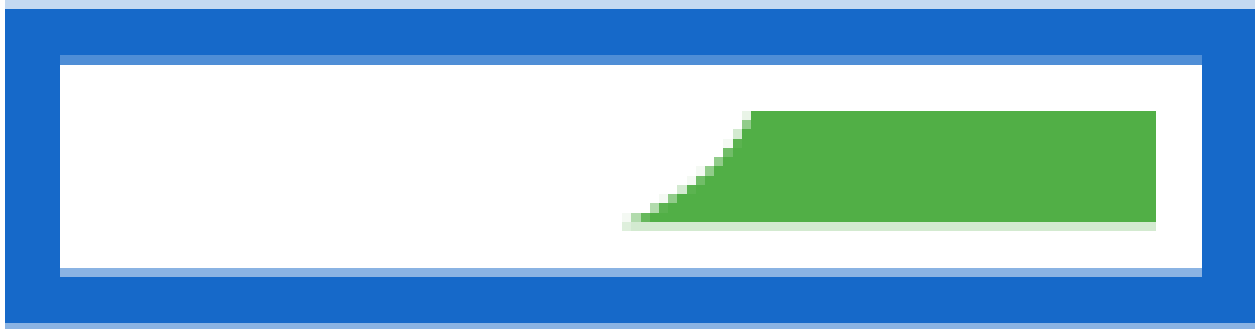
Uniform Grant Guidance (UGG)

Allowable Cost Criteria

2 CFR §200.403

- Necessary, reasonable and allocable to the special education program
- Consistent with policies and procedures.
- Consistency of treatment i.e., indirect cost.
- Not a cost used to meet other cost sharing or matching requirements.
- Be adequately documented.
- Incurred during the approved budget period

Definitions of Criteria



- A cost is necessary if it is helpful and appropriate for your program or activities **IRS Definition Publication 535.**
- A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under similar circumstances.
- A cost is allocable to a particular Federal award if the goods or services involved are chargeable or assignable to that Federal award in accordance with relative benefits received.

Definitions of Criteria (cont'd)



██████████			

- Consistency of treatment of a cost. If a secretary salary is treated as an indirect cost for one federal grant, it cannot be treated as direct cost for IDEA.
- Cost not used to meet other cost sharing or matching requirements. IDEA federal expenditures cannot be used for Medicaid state match.
- Adequate documentation. A cost must be supported by invoice, purchase order, contracts or time and effort for salaries.

Question 3

Which of the following is not a criteria for allowable costs under Uniform Grant Guidance?

- a. Reasonable and necessary
- b. Consistent treatment
- c. Allocable and adequately documented
- d. Less expensive

Obligation of Funds

**Individuals with Disabilities Education Act (IDEA) and Education Department
General Administrative Regulations (EDGAR) Requirements**

Uniform Grant Guidance (UGG)

Obligations Definition

Obligations are orders placed for property and services, contracts and subawards made, and similar transactions during a given period that require payment by the non-Federal entity during the same or a future period.

Obligations and Reimbursements

34 CFR §76.708

LEA may start to obligate funds from the later of the following two dates:

- The date that the State may begin to obligate funds.
- The date that the LEA submits its application to the State in substantially approvable form.

SEA may not reimburse an LEA for obligations until a final approval of the application.

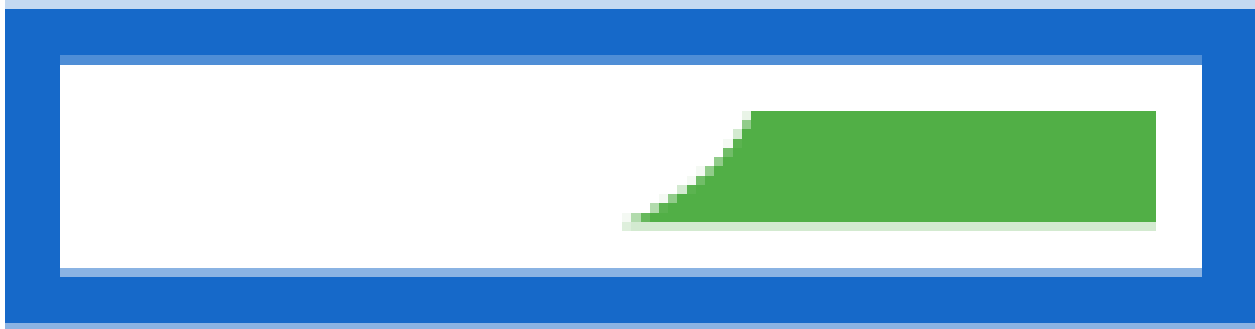
Obligations Timing

34 CFR §76.707

If the obligation is for—	The obligation is made—
(a) Acquisition of real or personal property	On the date on which the State or subgrantee makes a binding written commitment to acquire the property.
(b) Personal services by an employee of the State or subgrantee	When the services are performed.
(c) Personal services by a contractor who is not an employee of the State or subgrantee	On the date on which the State or subgrantee makes a binding written commitment to obtain the services.
(d) Performance of work other than personal services	On the date on which the State or subgrantee makes a binding written commitment to obtain the work.
(e) Public utility services	When the State or subgrantee receives the services.
(f) Travel	When the travel is taken.
(g) Rental of real or personal property	When the State or subgrantee uses the property.

EDGAR

Obligations



██████████			

- Expenditures incurred during the approved budget period.
- Obligations must occur during the performance period of the grant.

What is a period of performance?

Uniform Grant Guidance (UGG)

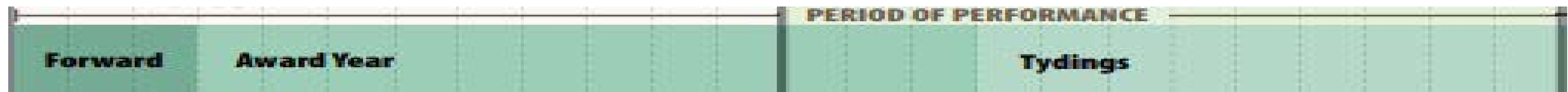
Period of Performance

Period of performance means the time during which the non-Federal entity may incur new obligations to carry out the work authorized under the Federal award.

IDEA Grant Period of Performance

Period of Performance is a 27-month period when LEA can obligate IDEA funds and includes:

- **Forward Funding Period** of three (3) months: July 1, 2020 - September 30, 2020.
- **Award Year Funding Period** of twelve (12) months: October 1, 2020 - September 30, 2021.
- **Tydings Funding Period** of twelve (12) months period carry over for expenses not obligated in the fiscal year for which they were appropriated: October 1, 2021 - September 30, 2022.



Question 4

How long is the IDEA performance period?

- a. Three (3) months Forward Funding Period
- b. Twelve (12) months Award Year Funding Period
- c. Twelve (12) months Tydings Period for carry over
- d. Twenty-seven (27) months

Allowable Cost Decision Trees

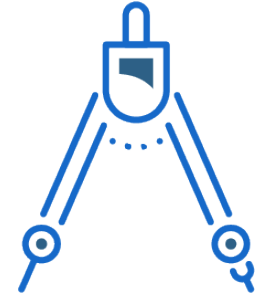
Decision Matrix in Three (3) Steps

Question 5

An LEA wants to buy a helicopter for a child with disabilities in a special education program. Is this an allowable expense for IDEA Part B funds?

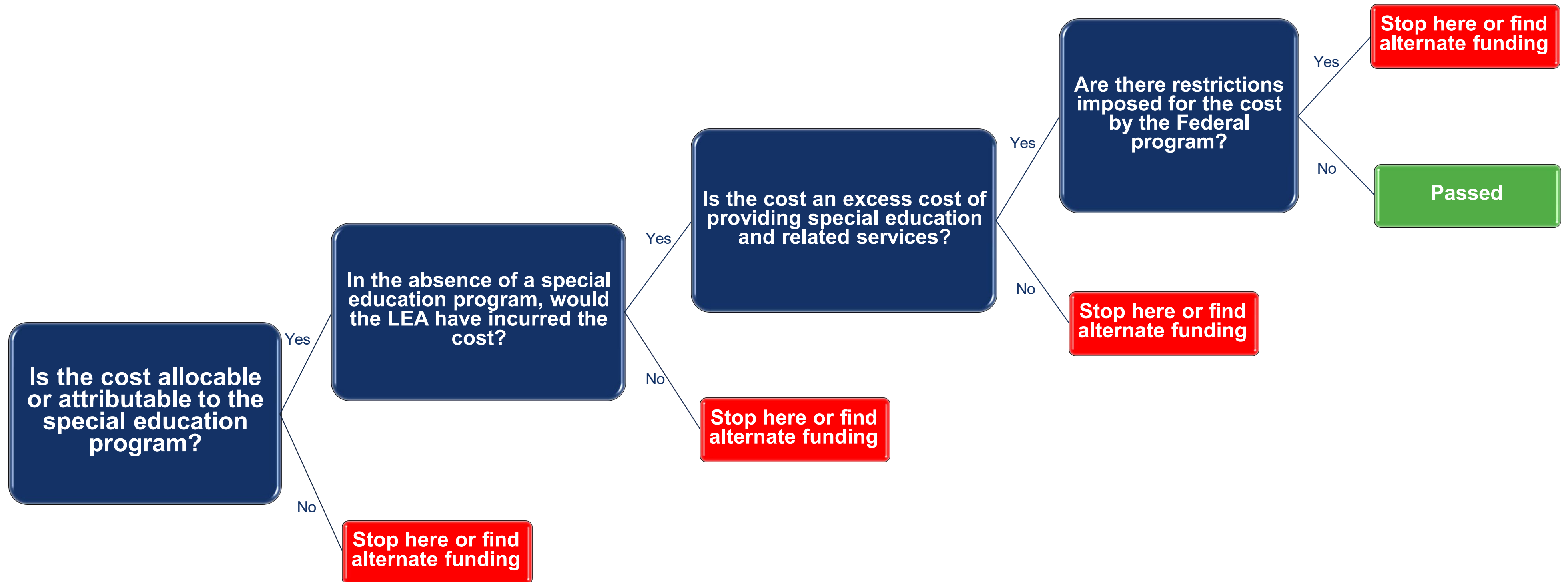
- a. Yes
- b. No
- c. It depends

Decision Matrix

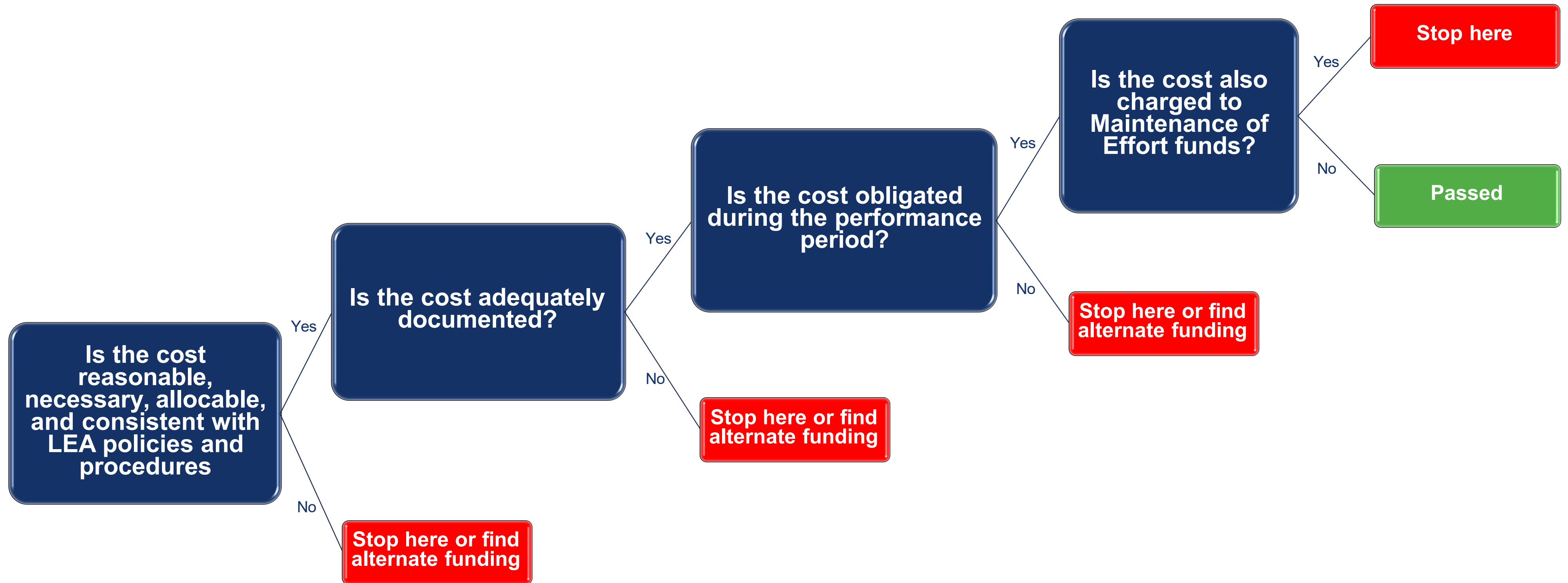


- Allowable use of funds framework
- Three (3) steps decision matrix
- Decision trees will help gather necessary information to make an informed decision
- Let's take a look!

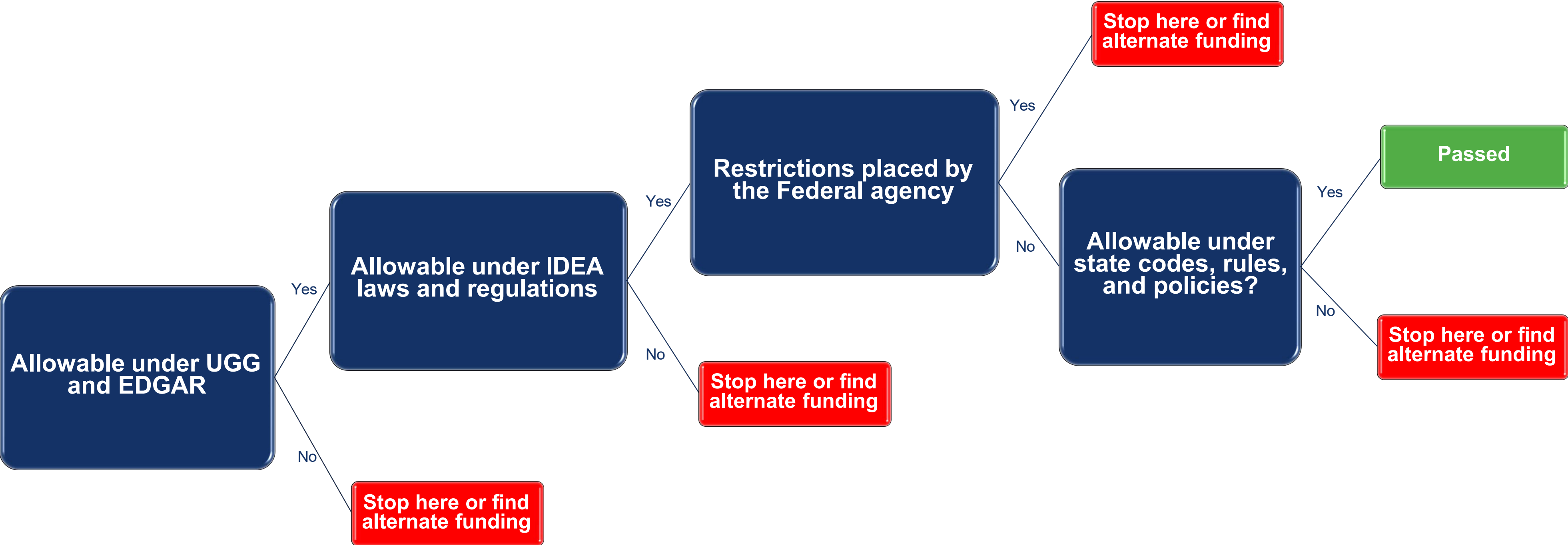
IDEA Statutes and Regulations Decision Tree



UGG and EDGAR Decision Tree



Final Decision Tree



IDEA Federal and State Funds

IDEA Federal Funds	State Funds
Capital Purchase Allowable	No Capital Purchase Allowed
LEA MOE requirement for eligibility	No LEA MOE requirement for eligibility
One year Carryover (Tyding Period)	Twenty (20%) Carryover

For more details, see the Allowable Use of Funds manual

Do It Yourself

Practice Your Knowledge with a Decision Matrix

**Test Your
Knowledge**

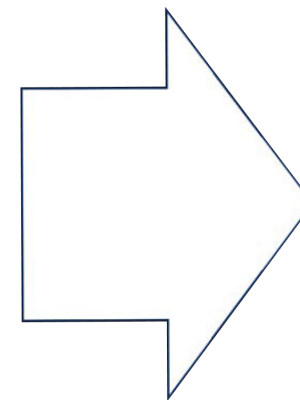
Allowable Use of IDEA Funds Services



Special Education Staff Salary



**Cost associated
with salaries and
benefits of Special
Education Director,
Teacher,
Paraprofessional**



Allowed

Secretarial Staff



Costs associated with salaries and benefits for special education secretary staff

May be allowed

Only for the actual time spent supporting special education

The work must be documented in accordance with Policies and Procedures as outlined in 2 CFR 200.430(i)

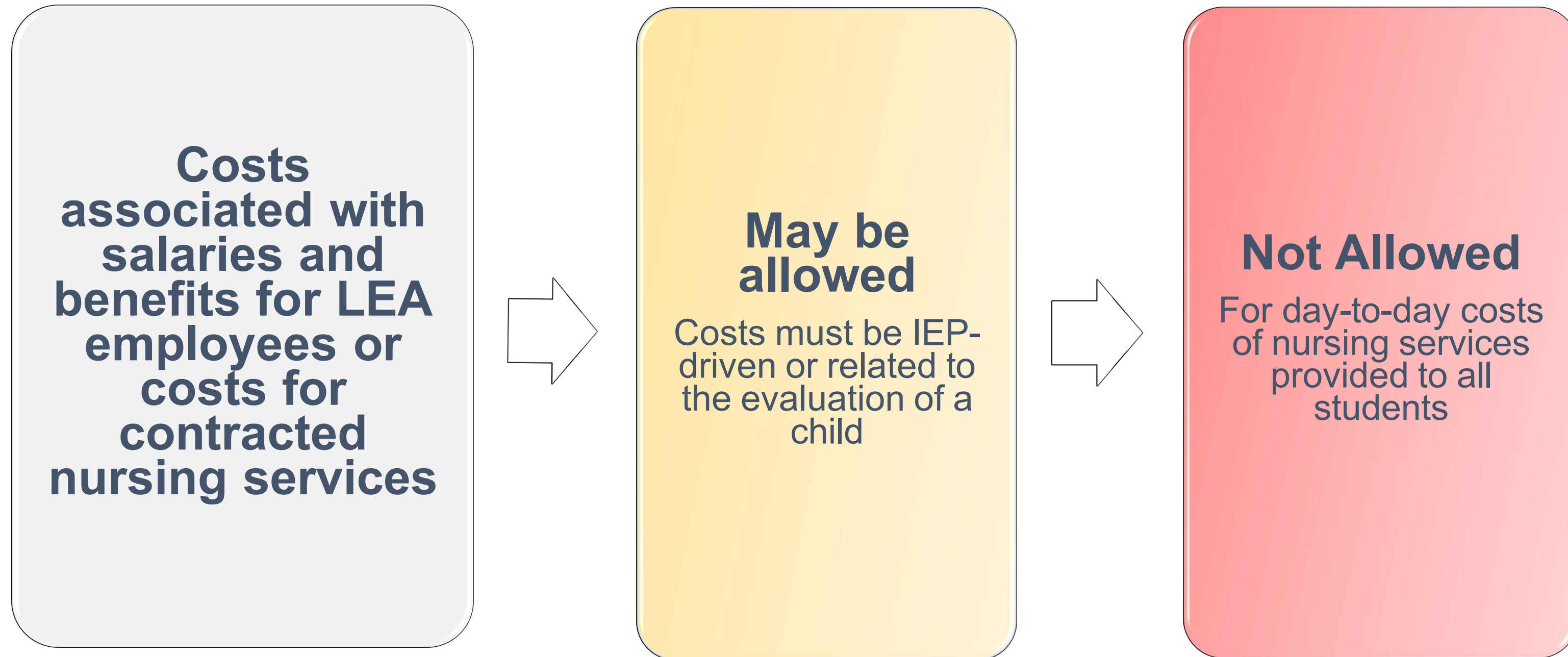
Occupational Therapists (OT) and OT Assistants



Costs associated with salaries and benefits for LEA employees or costs for contracted OT services

Allowed

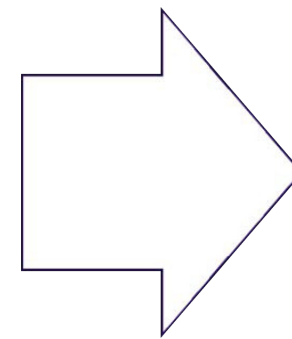
Nurse - School Based



Superintendent/Administrator Salary



Costs associated with salaries and fringe benefits of superintendent



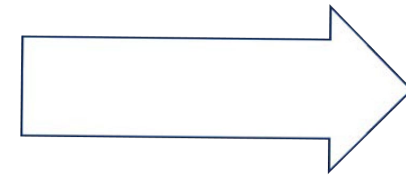
Not allowed

It is not an excess cost of special education. LEAs have administrators regardless

Teachers – General Education



Costs associated with salaries and fringe benefits of general education teachers



Not allowed

Instructional costs of regular education teachers are not excess cost of special education



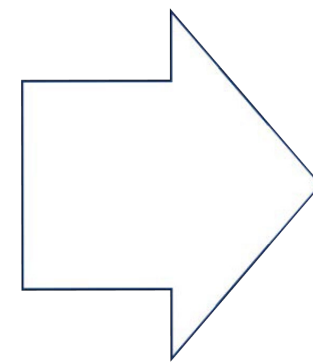
May be allowed

Teachers may be paid to attend special education in-service activities and IEP meetings

Business Manager Salary



Costs associated with salaries and fringe benefits of business manager



Not allowed
Not a direct cost of the program
2 CFR 200.413

**Test Your
Knowledge**

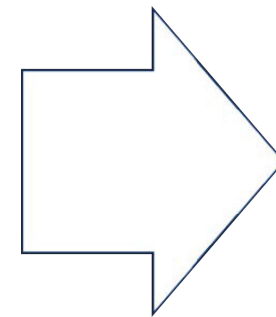
Allowable Use of IDEA Funds Equipment



Automatic Door Openers



**Costs associated with
the purchase and
installation**



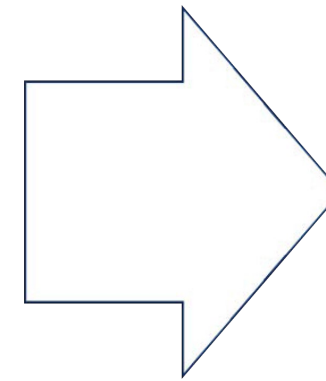
May be allowed

Only if purchase and installation of
automatic door openers is needed to
provide access for a child with a
disability

Equipment - Capital



Costs of equipment to support special education and related services



May be allowed

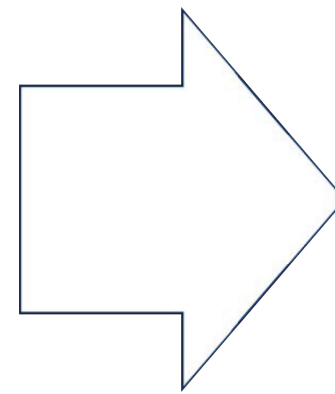
USBE SES prior approval needed. Capital equipment is equipment with a useful life of more than one year that costs \$5,000 or more per unit

2 CFR 200.439 (b)(2)

Equipment - Noncapital



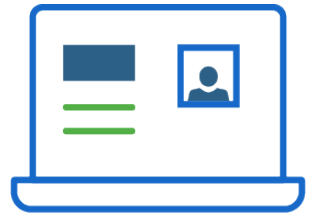
Costs of equipment to support special education and related services



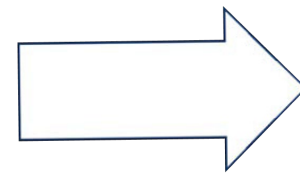
Allowed

No prior approval needed for special education equipment not meeting the definition of capital equipment

Computers For Students

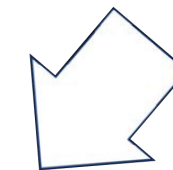


Costs of the acquisition of computers for students



Not allowed

Acquisition of computers are NOT an excess cost, and therefore not allowed if the LEA has decided to equip all classrooms in a school and simply charges the IDEA grant a prorated amount based upon the number of children with disabilities in the school



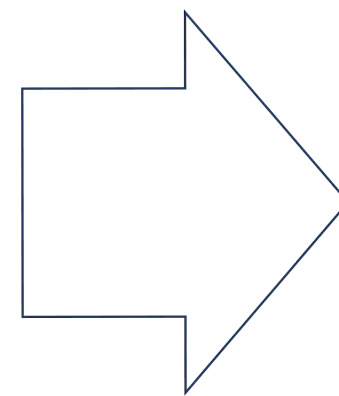
May be allowed

Computer purchase must be related to a specific need for the education of students with disabilities

Bus Purchase, Lease Or Rental



Costs of the vehicle purchase or lease, insurance, repair, and maintenance

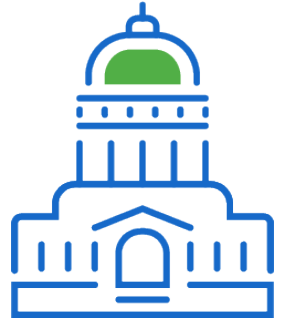


May be allowed

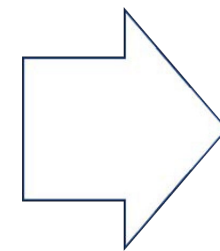
With USBE prior approval.

Only for vehicle to transport children with disabilities who require special assistance in transportation

Remodeling Or Construction

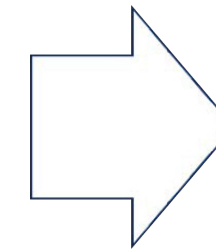


Costs associated with remodeling due to the unique needs of a student or students with a disability



May be allowed

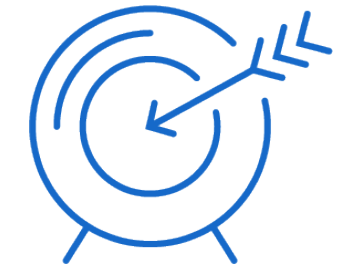
With USBE prior approval: Remodeling costs must be excess costs of special education. Remodeling must meet the needs of one or more children with disabilities
2 CFR 200.439 (b)(1)



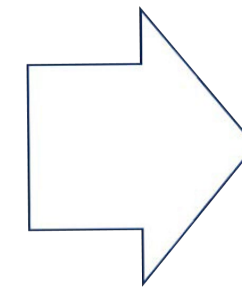
Never allowed

Remodeling costs for the general purpose of bringing facilities into compliance with Section 504 and ADA requirements are not allowed

Playground Equipment



Costs associated with accessible playground equipment



May be allowed

The additional costs of making a playground accessible to children with disabilities are allowed with USBE prior approval. The equipment may be used in a regular education setting, even if one or more nondisabled children benefit

**Test Your
Knowledge**

Allowable Use of IDEA Funds

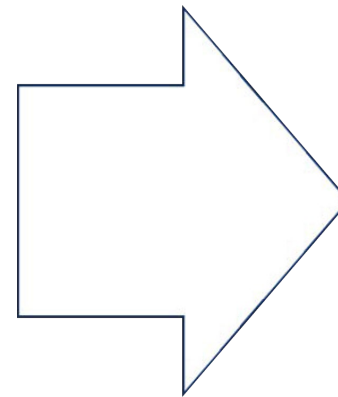
Other Costs



Medicaid Billable Expenses - FFP



**Costs of Medicaid
Billable Expenses
Federal Financial
Participation (FFP)**

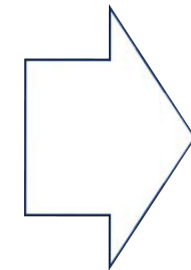


Never allowed

The costs are already paid with other federal funds so they cannot be charged to IDEA.
Double dipping!!

Medicaid Billable Expenses - State Match

**Costs of state/local share of
Medicaid billable expenses
State Match**



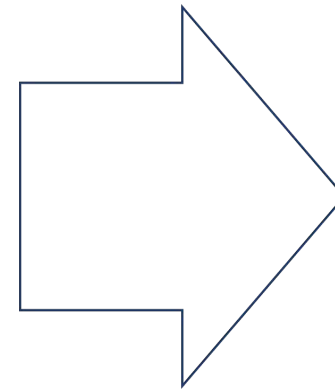
Not allowed

State match charged to IDEA is no longer state match
2 CFR 200.403 (f)

Child-find Activities



**Costs associated
with public
awareness, notices,
screening**



Allowed

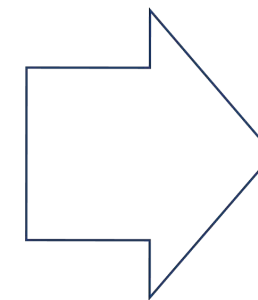
Child find activities are allowed for
identification of children with disabilities

Advertising Cost



Costs associated with advertising in media

Newspapers, radio, and television, direct mail, exhibits, electronic or computer transmittals



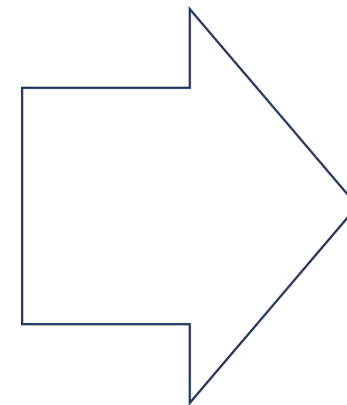
May be allowed

Recruitment of personnel, procurement of goods and services, and other specific purposes necessary to meet the requirements of the IDEA grant

Legal Expenses



Costs of attorney fees for IDEA state complaints, due process hearings, representation at IEP team meetings, facilitated IEP team meetings, mediation sessions, or any student specific consultation

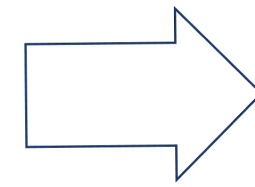


Not allowed

Purchase of Meals

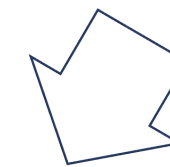


**Costs of meals
purchase**



Not allowed

Meals purchased for staff meetings or sponsored training/conference/events



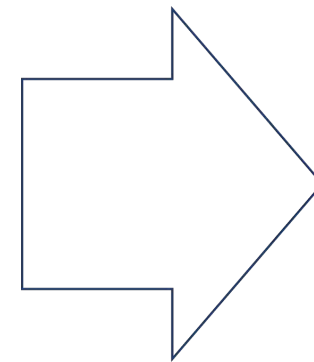
May be allowed

Purchase related to student special education activities in accordance to an IEP

Indirect Costs



Costs incurred to benefit more than one program or objective not readily assignable to the programs



May be allowed

If the LEA has a negotiated indirect cost rate
2 CFR 200 Appendix III

Opportunities for Individualized Support

WestEd offers the following support to LEA staff :

- One-on-One Coaching
- Review of Policies & Procedures
- Technical Support and Guidance

Final Question

Is your LEA interested in participating in a workshop/coaching session during the summer law conference? (Single Choice)

- a. Yes
- b. No
- c. Maybe

Federal Resources

Title 20 USC Chapter 33

[IDEA Part B - Assistance for Education of All Children with Disabilities](#)

34 CFR Part 300

[Assistance to States for the Education of Children with Disabilities](#)

2 CFR Part 200

[Uniform Administrative Requirements](#)

34 CFR Part 75-79

[Education Department General Administrative Regulations \(EDGAR\)](#)

USBE Resources

USBE Rules Manual Section X

[Special Education Funding](#)

Utah Code

[Section 53F-2-307](#)

[Section 53F-2-308](#)