

SPECIAL EDUCATION (PART B)
FEDERAL EXPENDITURE REQUIREMENTS

- **Salaries**
 - Track which employees are paid with federal funds
 - OMB A-87 must be completed for staff paid with federal funds
 - Single Funding Certification Form
 - OR -
 - Time and Effort Logs
 - Do not include federal salaries/benefits in Maintenance of Effort (MOE)
- **Proportionate Share**
 - Each district must spend a proportionate amount of Part B funds on parentally-placed private school and home school children with disabilities
 - Costs of child find must not be considered in proportionate share obligation
 - Must be coded separately (may need to prorate time)
 - A-87 must be completed for staff paid with proportionate share funds
 - Do not include in MOE
- **Coordinated Early Intervening Services (CEIS)**
 - Districts may use up to 15% of Part B funds to provide CEIS to students in K-12 not yet identified as needing special education services but need additional supports to succeed in the general education environment
 - Must submit a CEIS Reporting Verification Sheet by Sept. 30 if CEIS funds are used
 - Must be coded separately (may need to prorate time)
 - A-87 must be completed for staff paid with CEIS funds
 - Do not include in MOE
- **Equipment** (items with unit cost of \$1,000 or more—not including construction/renovation/real estate/buses)
 - Prior approval is obtained on Budget Application
 - Inventory Control requirements must be met
 - Do not include equipment purchased with federal funds in MOE
- **Construction/Renovation/Real Estate/Buses**
 - Must have prior DESE approval before funds can be obligated (Capital Outlay Purchase Request Form)
 - Do not include in MOE
- **Payments/Refunds**
 - Cash Management Improvement Act (CMIA) requires federal funds requested to be already expended or will be spent within three days of receipt. The counting period begins on the day funds are received.
 - Refunds require interest to be calculated and returned along with an explanation on how interest was calculated
- **General Information**
 - Must create a system for tracking federal funds separately from state/local funds (use a Project/Source Code to separate federal expenditures)
 - Excess Cost Requirement – federal funds may only be used to pay excess cost of providing special education and related services to students with disabilities
 - MOE requirement – federal funds must not be used to reduce the level of state/local expenditures for the education of students with disabilities below the level of those expenditures for the preceding fiscal year
 - Federal funds cannot be obligated until the budget application has been substantially approved (submitted)
 - IDEA requires all expenditures with IDEA funds to be directed 100% toward special education; otherwise the cost should be prorated unless the benefit to non-special education students is incidental and justifiable
 - Federal paid employees must not be included in the SDAC Medicaid Pool