

WHAT THE DISTRICT SHOULD KNOW

A short guide to federal education grant laws and regulations presented by

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Supplement, not supplant

Most Federal education funds must be used to supplement, not supplant, non federal funds. That means that they must be for activities that would not otherwise be provided in the absence of federal funds.



Supplement, not Supplant

Some **RED FLAGS** to look for when trying to determine if an expense is supplementary:

- Is the program required under state or local law or under another federal law
- Were state or local funds used to provide the same or a substantially similar program or service in previous years
- Was the same program or service supported by state or local funds for children who are not eligible for NCLB or IDEA program or services



Excess Cost

In addition to being supplementary, charges to IDEA funds must also be **excess costs**. Essentially, they must be **supplementary cost** **and** they must have been incurred as a result of a child or children having an IEP. Even if a cost is supplementary, if it is available to all students it is not chargeable to IDEA, as it is not an excess cost of special education.

Time and Effort/Certifications

Office of Management and Budget Circular A-87- Allowable Cost (OMB A-87) requires that all personnel who work on multiple federal programs, or who's funding is split between federal and non federal sources, document their time thorough personnel activity reports. This allows their salary and wages to be properly distributed to the various funding sources. Personnel who work on a single federal program must sign semi-annual certifications stating that they work solely on that program



Inventory Control

Education Department General Administrative Requirements (EDGAR) mandates that equipment purchased with federal funds be tagged as to funding source and physically inventoried at least every two years.



Adequate Documentation

OMB A-87 also requires that expenditures of federal grant funds be adequately documented. This means that the backup documentation should justify why the purchase is an appropriate charge to that particular funding source, what the benefits will be to the population served by that funding sources, and how allocability to that population will be documented.



Allocability

In addition to being adequately documented charges to a federal funding source must be allocable to that source. Essentially, this means that the documentation should be sufficient so that charges to a particular federal funding source are directly traceable to the specific population who benefits from those charges. For example, if textbooks are charged 100% to Title I funds, then there must be documentation that demonstrates that the 100% of the textbooks went to Title I students.

Records Retention

Education Department General Education Requirements (EDGAR) says that records on federal grant activity must be retained for three years. However, since federal legal liability for the expenditures is actually five years, RIDE recommends that they be retained for five years.

Response to Intervention

Response to Intervention is a General Education Strategy, not a Special Education one. It is possible to fund some RTI activities if, for instance, it is for giving Special Education evaluation team members (e.g. psychologist or social workers) training in how to interpret the data gained on a student through RTI strategies. However, the RTI strategies themselves remain general education.



Early Intervening Services

For those of you who may be using up to 15% of your Part B IDEA funds for Early Intervening Services, it must be identified on your budget pages as EIS. For each EIS expenditure, put the letters “EIS” at the end of the description line on the left side of the budget page. That will allow RIDE to determine if the amounts for RTI in a district’s total IDEA request is within the 15% limit allowed by IDEA regulations.



Resources

Further information is available on the resource list of federal grants and regulations references included in your CPR packet. In addition, those of us at RIDE are always available for consultation

