

# IDEA Flow-through and Preschool Entitlement Carry-Over Policy

Individuals with Disabilities Education Act (IDEA) Part B entitlement funds awarded to local education agencies (LEA) are available to LEAs for 27 months from the date of award in accordance with the Tydings Amendment, which is referenced in section 421 (20 U.S.C. 1225) of the General Education Provisions Act (GEPA).

The 27 months begins on the day the entitlement award is made to the LEA, which is July 1 of each fiscal year if DPI has received the LEA's application in substantially approvable form. As an example, flow-through entitlement funds that are awarded to an LEA on July 1, 2017, are available to the LEA until September 30, 2019.

All unspent funds from one fiscal year are carried over into the next fiscal year. As an example, if the LEA receives an allocation of \$50,000 in FY 2016-17 and claims none of the funds, then \$50,000 is carried over into FY 2017-18. There is no cap or waiver requirement to carry over the funds.

Funds are paid out on a "first in, first out" basis. When an LEA submits a claim to DPI, the accountant will draw down from the LEA's oldest grant funds first – before accessing more recently awarded funds. However, LEAs that carry over funds from one fiscal year to the next must monitor spending to ensure the amount carried over is claimed within the required timeline or risk losing unspent funds.

LEAs can monitor the spending down of their carryover by utilizing the side bar on each of the budgets.

The screenshot shows a sidebar menu on the left with a 'SIDEBAR' label. The main content area displays the following information:

- Grant Fiscal Year:** 2016-2017
- Funding Detail:**
  - Grant: IDEA - Preschool
  - Allocation: \$11,153.00
  - Carryover: \$9,183.55** (circled in green)
  - Total: \$20,336.55
- Budget Overview:**
  - Preschool Amount: \$20,336.55
  - Amount Budgeted: \$16,082.95
  - Amount Remaining: \$4,253.60
  - Total Claimed: \$4,081.47** (circled in red)
  - Total Unclaimed: \$16,255.08
- Budget Status** (dropdown arrow)
- Budget Section Summary** (dropdown arrow)

Annotations:

- A green box points to the **Carryover: \$9,183.55** value, stating: "Prior year unspent preschool amount; must be obligated by September 30, 2017."
- A red box points to the **Total Claimed: \$4,081.47** value, stating: "Difference between Carryover and Total Claimed: The amount claimed in FY 2016-17 is less than what was carried over from FY 2015-16 (carryover amount). The LEA must obligate \$5,102.08 in preschool funds by September 30, 2017 or lose access to it."

**Note:** Carry-over is not allowed on discretionary grants, which typically run from July 1 to June 30.