

March 10, 2015

Melody Musgrove, EdD, Director
Office of Special Education Programs
Office of Special Education and Rehabilitation Services
U.S. Department of Education
400 Maryland Avenue, SW
Washington, DC 20202

Dear Dr. Musgrove:

This letter addresses Wisconsin Department of Public Instruction (DPI's) local educational agency (LEA) notification of revisions in the following area:

Criterion 2.2 The state educational agency (SEA) has procedures to ensure that LEAs use Individuals with Disabilities Education Act (IDEA) funds only to pay the excess costs of providing special education and related services to children with disabilities in accordance with IDEA.

In the most recent correspondence, Office of Special Education Programs (OSEP) stated, "Upon reviewing the State's submission, OSEP has determined that the WDPI has provided all the required information and no further action is needed. The letter also stated, "Within 30 days of OSEP's notification to the State that it has approved the revisions made to the policies and procedures, the State must provide documentation that it has notified the LEAs of the revisions."

WDPI will assume direct responsibility for monitoring LEAs to ensure compliance with the excess cost requirements in 34 CFR §§300.16, 300.202(a)(2) and (b), and Appendix A to 34 CFR Part 300. DPI has taken the following steps to notify the LEAs of the revisions:

The following notice was sent to all Directors of Special Education/Pupil Services and IDEA fiscal grant contacts via email on March 5, 2015:

Beginning with fiscal year 2014-15, DPI will begin monitoring LEAs compliance with IDEA's Excess Cost requirement. To assist with this monitoring, DPI has created an Excel workbook which instructs the LEA on which financial and student count data must be used. The workbook then performs the correct calculations. This Excel workbook can be downloaded at: http://sped.dpi.wi.gov/sped_excess-cost-calculation.

This workbook must be completed annually and maintained as a grant record by the LEA. In addition to being part of the single audit review, DPI will also select LEAs to submit the completed workbook with supporting documentation to ensure LEA compliance.

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A technical assistance guide on the Excess Cost Calculation requirement is available at <http://sped.dpi.wi.gov/sites/default/files/imce/sped/pdf/excess-cost-calculation-guide.pdf>. This guide also provides step-by-step instructions for completing the Excel workbook.

Rachel Zellmer will present on this topic at the Wisconsin Association of School Business Officials (WASBO) Spring Accounting Conference on Thursday, March 12.

A webinar will be presented at 2 p.m. on Friday, March 13. Participants can register for this webinar at <https://attendee.gotowebinar.com/register/2180363808665014785>.

Following these two training events, a recorded webinar will become available on the Excess Cost Calculation website.

I trust this notification of revisions ensures DPI has addressed the identified area of noncompliance regarding excess cost. Thank you for the opportunity to work with you to address these findings and improve results for all children with disabilities and their families.

Sincerely,



Barbara Van Haren, PhD, Director
Special Education Team
Division for Learning Support