

COMMONLY ASKED QUESTIONS ABOUT DSP&S EXPENDITURES

BUDGET IDENTIFICATION

Q. Does a college/district need to designate a unique budget identifier code for direct excess cost expenditures?

A. Yes, each college/district that accepts direct excess cost funding must certify through fiscal and accounting reports that direct excess cost funding was expended for the intended purpose of serving/instructing students with disabilities. The most efficient or effective manner to accomplish this objective is to establish a unique budget identifier code. (Title 5 section 56074)

INDIRECT COSTS

Q. May a college/district utilize direct excess cost funding to support indirect costs (lighting, heating, janitorial service, etc.).

A. No, direct excess cost funding was established to provide direct services to students with disabilities. In no way are these funds to be spent for indirect costs. (Title 5 section 56068)

Q. What about the implications of indirect costs when a college/district offers a special class(es)? May indirect costs be borne by DSP&S special classes?

A. Yes, under these circumstances indirect costs are allowable when calculating Full Time Equivalent Status (FTES) revenue for special classes (Title 5 section 56076). The campus/district Chancellor's Office approved, non-instructional cost rate may be deducted from the average dollars per FTES for both on and off campus classes. These funds are designed to pay for indirect costs including those described above.

DIRECT EXCESS COSTS

1000 Certificated Salaries

Q. May direct excess cost funding be utilized for DSP&S certificated (1100-1400) personnel?

A. Yes, all certificated personnel assigned to DSP&S positions may be charged for the percentage of time assigned to DSP&S.

2000 Classified Salaries

Q. May direct excess cost funding be utilized for DSP&S (2100-2400) personnel?

A. Yes, all classified personnel assigned to DSP&S positions may be charged for the percentage of time assigned to DSP&S.

3000 Employee Benefits

Q. May direct excess cost funding be utilized for the benefits (3100-3900) paid to all DSP&S personnel?

A. Yes, employee benefits are allowable costs proportionate to the percentage of time assigned to DSP&S.

4000 Supplies and Materials

Q. May direct excess cost be utilized for purchasing supplies and materials necessary for operations of the DSP&S program?

A. Yes, supplies and materials used in the DSP&S program are a legitimate direct excess cost expense.

5000 Other operating Expenses and Services

Q. May a college/district hire additional consultant personnel to provide direct instruction or service to eligible students with disabilities?

A. Yes, personnel service costs are allowable expenditures. It is important to remember these personnel must provide direct instruction or service to students with disabilities and these costs must be prorated to the percentage of time employed in DSP&S.

Q. Many professional activity and staff development opportunities are available to DSP&S personnel. Is the cost for this type of activity an appropriate and allowable expenditure?

A. Yes, the Chancellor's Office recognizes the importance of maintaining the currency in the profession and allows for expenditures for travel and conferences for DSP&S staff identified in categories 1000-2000 with appropriate advance approval of the college.

Q: May campus DSP&S programs use direct excess cost funding to pay for individual or campus/program dues and memberships?

A. No, excess cost funding may not be used for dues or memberships. These expenses are to be paid by the individual or general campus budget.

Q. Occasionally DSP&S departments enter into instructional or service areas that require the purchase of insurance. Are these expenditures allowed from excess cost funding?

A. Yes, this type of expenditure is allowable if directly related to the provision of DSP&S instruction or services and not otherwise covered by the college/district.

Q. Is it legitimate for a campus to bill DSP&S for utilities and housekeeping services for campus space utilized by the DSP&S department?

A. No, under no circumstances are these type of expenditures allowed for existing campus programs.

Q. Are costs for legal matters, election campaigns or audit expenses allowable?

A. No, these costs are not a direct excess cost and are not eligible for reimbursement. These costs, if authorized, would need to be borne by the campus/district general fund.

Q. Occasionally other operating expenses for services or administrative operations surface. Would this type of expense be allowable?

A. No, this type of cost must be paid from the campus/district general fund and not from direct excess cost funds.

6000 Capital Outlay

Q. May a college/district use direct excess cost funding for site and site improvements?

A. These costs are not allowable, except for minor architectural barrier removal. There is no specific definition of “minor” as regards this issue.

Q. Are building costs allowed?

A. No, under no circumstance are building costs allowable even if the new building were for exclusive use of DSP&S.

Q. May DSP&S establish a resource library using direct excess cost funding?

A. Yes, books or other resource material purchases are allowable provided they are directly for the DSP&S “library”. Other general/main library expansions or acquisitions are not allowed.

Q. Frequently DSP&S departments need to purchase equipment. May direct excess funding be used for this purpose?

A. Yes, the purchase of equipment used strictly by disabled students is allowable. In addition, purchase of equipment for special classes is allowable provided the minimum net apportionment generated by special classes has been expended by DSP&S. However, direct excess funding may not be used to purchase administrative equipment for staff.

Q. The sale of surplus items purchased with DSP&S resources causes some confusion among college/district personnel. When an item purchased with DSP&S resources is sold through a surplus sale must the dollars received for the sale be deposited or credited to the DSP&S department?

A. Yes, funds received as a result of the sale of equipment purchases with DSP&S funds must be returned to the DSP&S department for use in providing service and instruction to students with disabilities.

7000 Other Outgo

Q. Are costs associated in the Other category allowable?

A. No, any costs not previously discussed are not allowable.