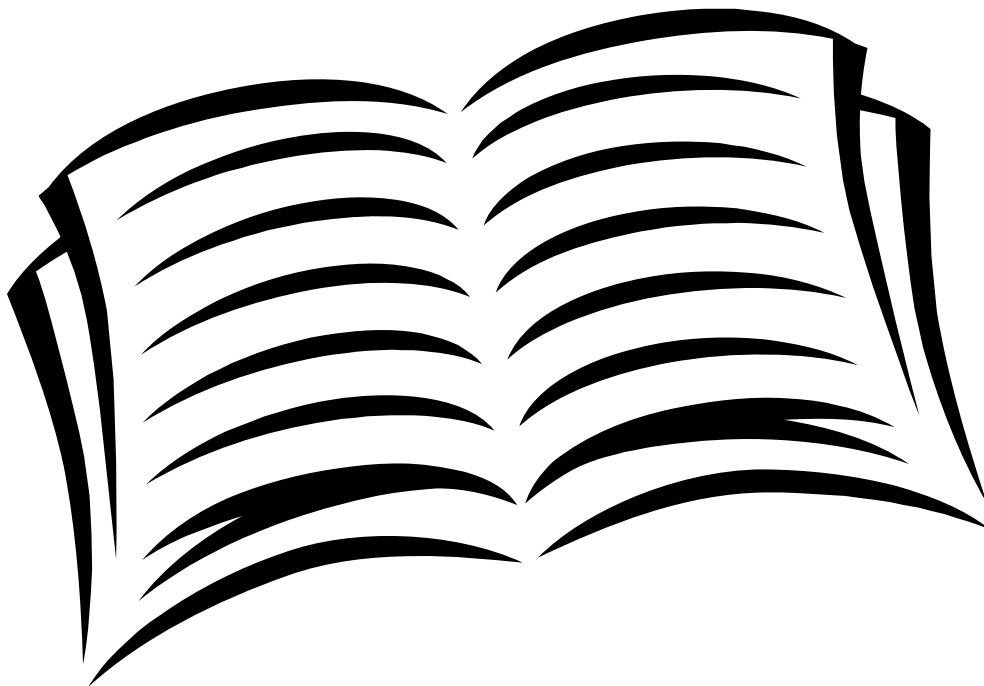


Mandated Activities Project Guidelines



Office of Special Education and Early Intervention Services

www.michigan.gov/mde



Mandated Activities Guidelines

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Roles and Responsibilities Document

August 2008

*Accountability and improvement can be effectively woven.
-Michael Fullin*

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OVERVIEW

The Individuals with Disabilities Education Act (IDEA 2004) allocates funds under Part B for students with disabilities 3 through 21 years old. A majority of the funds, approximately 90%, are disseminated to school districts for programs and services for children and youth with disabilities under Part B. A percentage of the total grant award is used for state level administrative activities and special initiatives to address statewide and federal priorities. These initiatives are referred to as IDEA (2004) Mandated Activities Projects (MAPs).

Purpose:

The purpose is to support mandated activities regarding policy, compliance, and federal regulations. The IDEA (2004) Part B activities target improving the achievement of students with disabilities and/or supporting high priority schools.

EXPECTATIONS FOR ALL MANDATED ACTIVITIES PROJECTS

Application Process:

Every project must complete and submit an application by October 1 of every fiscal year and be approved for the new year's funds. Applications are reviewed for project outcomes, activities, and timelines in connection with budget expenditures. Application approval is contingent upon a recommendation for approval from the MAPs team. Grant application concerns are resolved by the MAPs team in collaboration with the project director.

Continuation of Project/Funding:

On a yearly basis, the Office of Special Education and Early Intervention Services (OSE/EIS) reviews project efforts regarding project funding. Required written progress reports are studied for adherence to project outcomes including the activities timelines.

Amendments:

An amendment is a report of a programmatic or financial change. Amendments or revisions to the application may affect the budget or program information. Only the applicable parts (within MEGs) must be submitted to the OSE/EIS for review and approval.

An amendment must be submitted if:

- the program information is modified from your current approved application. Include a revised budget page if a modification to your program information has caused your budget line items to change.

- the budget page changes, to reflect all line item changes at mid-year (March 31) and the end of the year (September 30). Line item changes reflect dollar amounts that have increased or decreased by 10% from the last approved budget. Include a written rationale as to the budget changes. The OSE/EIS may request budget reports more frequently as deemed necessary.

Report Requirements:

Grantees are required to submit reports twice a year; a mid-year progress report with an interim expenditure report (April 30) and an end of the year progress report with a year-end expenditure report (November 30). The end of the year progress report summarizes the project's activities and outcomes since the mid-year report was submitted. The year end progress reports will be due 60 days after the project completion, the same time the Final Expenditure Report is submitted to the Office of Financial Management and Administrative Services.

Fiscal Agent Accountability:

The grant recipient is the fiscal agent. The fiscal agent is responsible for establishing and maintaining fiscal control adhering to the code of Federal Regulations and accounting procedures as defined in the Michigan General Accounting Manual.

STANDARDS FOR FISCAL MANAGEMENT

The OSE/EIS oversees and guides the project, evaluates the progress reports, confirms the outcomes for the next reporting period, and makes recommendations to the project director.

All projects must submit a yearly application, which includes a budget and narrative. The budget and associated narrative detail all project costs, including staff salaries along with the full-time equivalency (FTE), fringe benefits, purchased services, rent, utilities, equipment, travel expenses and indirect costs. The IDEA (2004) MAPs are subject to program fiscal reviews that study the programmatic and fiscal aspects of the grant.

Standards:

The following standards are used in all IDEA (2004) mandated activities to determine if costs are appropriate:

- Allowable
- Reasonable, and
- Allocable

Refer to OMB Circulars for further guidance:

- A-21, Educational Institutions
- A-87, State Local and Indian Tribal Governments
- A-122, Non-Profit Organizations

Other Standards:

- Three-day Cash Rule - funds must be spent by grantees (districts, non-profits, universities) within 72 hours of the department drawing them down from the USDE GAPS system. The department will no longer allow 30-day cash advances for ongoing programs. Thirty-day cash advances may be permitted for new one-time federal grant programs at the discretion of program management.
- Staff qualifications should be commensurate with the work assignments and the level of required leadership.
- Non-special education personnel may be funded when the grant's project outcomes include general education involvement or a particular professional expertise outside of the area of special education.
- Reimbursement Rate: Expenses for travel, meals, etc. will follow the school district's policy for reimbursement rates. Agencies/organizations will use the reimbursement policy of the Michigan Department of Education (MDE).

Travel:

Approval criteria for out-of-state travel:

1. The project staff person is scheduled to provide a demonstration/presentation at an out-of-state conference or workshop.
2. The project staff person needs the training program. This particular training cannot be obtained in state, or can be obtained more economically out-of-state. The acquired skills are necessary to meet project outcomes.
3. The project staff person(s) needs the skills to meet project outcomes.
4. Professional development activities provided at seminars, conferences, and workshops are critical for project outcomes.

All out-of-state travel outlined as in the MAPs yearly application is considered approved if the submitted application is approved by OSE/EIS. Out-of-state travel not included as part of the original application requires prior approval by the OSE/EIS. A written statement of rationale is required, including an estimate of expenditures and dates of departure and return.

Approval criteria for in-state travel:

1. Project staff provide technical assistance to project participants as specified by project outcomes.
2. Project staff conduct seminars, workshops or demonstrate the project as specified by project outcomes.
3. The project staff person(s) needs the skills to meet project outcomes.
4. All other travel for the purpose of attendance at meetings, in-services, or workshops is approvable, when it can be demonstrated the activity is an enhancement to the project.

Telephone:

If telephone charges are specifically tied to your project outcomes, it should be part of your project's costs. Other telephone charges should be included in your direct costs.

Rent:

Rent may be charged to the grant and is considered a direct cost. School districts who are the fiscal agents usually provide space at net cost or contribute office space as an in-kind contribution. If a school district identifies space in a building it does not own, rent may be charged to the grant. Non-profit and for profit organizations rent space to operate the grant. If this space is also used for non-grant related activities, rent charged to the grant is pro-rated. Rent costs may be charged to the grant provided the rent does not exceed the average cost of rented office space in the geographical area where the project is located.

Indirect Costs:

Indirect costs may be charged to the grant by both school districts and organizations. Specific indirect cost rates for school districts are determined yearly by the Office of Financial Management and Administrative Services. The recipient, if a school district, must use its restricted federal indirect cost rate. Nonprofit and profit organizations are asked to contact the OSE/EIS, Program Finance at (517) 241-1235 for assistance in determining an indirect rate. Universities are limited to an eight percent (8%) indirect rate. Since organizations and public agencies do not have special education program and service expenses, they are subject to another formula to determine an acceptable indirect cost rate. Operation and maintenance costs that are not directly charged to the grant make up the indirect cost pool. The special education federal restricted indirect cost rate is based on the ratio of direct costs to indirect costs. The OSE/EIS will assist organizations and public agencies to determine an indirect cost rate.

Stipends and Fees:

1. Fees or honorariums for guest speakers and experts to assist with the project may not exceed \$800.00 per day without prior approval from the OSE/EIS grant manager. A written statement of rationale is required when the anticipated fee exceeds \$800.00 per day.
2. Stipends for any grant reading affiliated with the project is not an allowable expenditure. Meals and travel expenses for grant readers are reimbursable at the ISD or state rate.

Publications and Subscriptions:

Publications and subscriptions that cannot be obtained at a library or shared with another project and are critical for the project's outcomes are an allowable cost.

Supplies and Materials:

This includes consumable items and equipment under \$500.00 that are directly related to the purpose of the project.

Capital Outlay:

Equipment is commonly referred to as capital outlay. This includes non-consumable goods like equipment and furniture that is valued at \$500.00 or more. Furniture, such as desks, storage and file cabinets, is usually not allowable capital outlay since these items are ordinarily available in school buildings and organizations. Equipment such as movie projectors, camcorders, televisions, and computers are ordinarily not allowable unless it is proven that such equipment is essential to the project's outcomes. Prior approval from the OSE/EIS is required for all capital outlay. Please refer to the OMB Circulars for more specific guidance on the appropriate handling and accounting for Capital Outlay purchases.

At the closing of a grant, the grantee will be required to generate a complete list of all equipment purchased with grant funds. The OSE/EIS will review this list and determine which items, if any, must be returned.

Accommodation Language:

The following statement has been reviewed and approved by the OSE/EIS as language that should be included on any letters, memorandums, or information sent out pertaining to meetings where the public is invited to attend:

"Persons with disabilities needing accommodations for effective participation in the meeting should contact _____, at (area code and phone number) ten calendar days in advance of the meeting to request mobility, visual, hearing, or any other form of assistance."

MDE Recognition:

All publications pertaining to the IDEA (2004) MAPs **must** be coordinated with the OSE/EIS, which includes but is not limited to:

- news releases
- reports
- films
- brochures
- videos, cds, and dvds

Any project materials developed with funding from this grant **must** contain:

- MDE Logo
- State Board of Education Logo
- Disclaimer Statement
- Statement of Compliance with Federal Law
- List of current Board members and Ex-Officio members
- Cost per piece

Disclaimer Statement

"This project material was produced and distributed through an IDEA (2004) Mandated Activities Project for (title of project) awarded by the Michigan Department of Education. The opinions expressed herein do not necessarily reflect the position or policy of the Michigan Department of Education, State Board of Education or the U.S. Department of Education, and no endorsement is inferred. This document is in the public domain and may be copied for further distribution when proper credit is given. For further information or inquiries about this project, contact the Michigan Department of Education, Office of Special Education and Early Intervention Services, P.O. Box 30008, Lansing, Michigan 48909."

Statement of Compliance with Federal Law

"The Michigan Department of Education complies with all Federal laws and regulations prohibiting discrimination and with all requirements and regulations of the U.S. Department of Education."

OTHER REQUIREMENTS

Personnel Policy:

Fiscal agents other than school districts must have proof of a personnel accountability system and a policy governing personnel employed with grant funds. The accountability system must include a description of the time and activity reports used to verify staff's Full Time Equivalency (FTE) on the project. Included in the policy are regulations governing leave time, workday and other appropriate employee regulations.

Workshops, Seminars, etc.:

Mandated Activities Projects should coordinate workshops, seminars, and conferences with other MDE sponsored activities. MAPs grantees may be required to: present/attend Council for Exceptional Children (CEC) Conference, write for MDE publications, and present at other statewide conferences upon request. Some grantees will be asked to provide data for the APR upon request. Some items (as listed above) will be expected but other requests may vary. This may include: dissemination at statewide conferences, SICC/SEAC presentations, written updates or reports and interacting with Stakeholder groups as needed.

Advisory Committees/Referent Groups:

Advisory Committees or Referent Groups for IDEA (2004) MAPs contribute an expertise and perspective that assists the project in achieving its outcomes and activities. The IDEA (2004) Mandated Activities project director must submit the names and affiliations of Advisory Committee or Referent Group members to the OSE/EIS. The OSE/EIS may provide guidance to the project director regarding group membership.

The Advisory Committee/Referent Group expenses are limited to meals, mileage and lodging (when necessary). School districts, acting as fiscal agents, apply the mileage, meals, and lodging rate for their district. All others apply the state rates.

Audit:

All federal grant projects must be audited in accordance with the MDE's Single Audit Requirements and Guidelines. It is incumbent upon the project to maintain records of costs and expenses, and to develop an employee accountability system consistent with these accounting requirements and standard accounting procedures.

The grantee will maintain a separate accounting of expenditures for this grant for each fiscal year it is awarded. Funds will only be requested as needed to meet immediate obligations and shall not be drawn for purposes other than those directly related to this grant. Normally acceptable accounting procedures will be used. The Agency's independent auditor will be made aware of the grant so that the auditor can review expenditures as required by federal single audit requirements. The auditor must review all contracts over \$25,000. Current employees of the MDE may not be employed or contracted under this grant. Expenses charged to this grant will not be charged to any other state or federal source and this grant will not be used to supplant mandated state or local costs.

Roles and Responsibilities of IDEA (2004) Mandated Activities Administrators

Project Director (or Principle Investigator) – is the person responsible for completing the grant's outcomes and activities. It is the responsibility of the Project Director to:

- Ensure the completion and submission the Michigan Electronic Grant System (MEGS) IDEA Mandated Activities Application.
- Ensure the preparation and submission of the mid-year and end of year progress reports and updated budgets through the MEGS. The OSE/EIS may request reports more frequently as deemed necessary.
- Ensure the submission an amended MEGS application, as directed by the OSE/EIS, if strategies and data collected do not support the project's goals.
- Communicate with the OSE/EIS about the project's progress, obstacles or concerns. Decisions to modify project outcomes, activities, timelines, and budget should be discussed with the OSE/EIS.
- Work with the OSE/EIS to maintain the project's direction and to resolve concerns or conflicts.
- Receive approval from the OSE/EIS regarding the release of publications, including news releases, reports, films, brochures, videos, and other project materials developed with grant funds.
- Work with the fiscal agent to prepare the budget. The project director spends funds according to the approved budget and communicates any funding concerns to the fiscal agent as well as the OSE/EIS fiscal grant manager.
- Ensure the grant funds are drawn and all narrative and financial reports are submitted to the Michigan Department of Education
- Enforce the fiscal agent's employee/personnel guidelines and policies for annual, sick, and personal leave, holidays, work hours, and other employment standards.
- Provide recommendations to the fiscal agent relative to the hiring and firing of personnel and notifies the OSE/EIS.
- Ensure the process for collecting data is followed, as described in the negotiated grant agreement for the project. Sign the negotiated grant agreement and implement the pertinent agreement sections along with the application's goals and strategies.

Fiscal Agent - is the grant recipient and is primarily responsible for facilitating the funding mechanism. It is the responsibility of the Fiscal Agent to:

- Collaborate and partner with the OSE/EIS Program Finance fiscal grant manager, and project director to receive project funds, maintain fiscal accountability, and insure project outcomes and activities are implemented.
- Keep project director informed about status of funds and provide a financial report upon request.

- Sign-off on the negotiated grant agreement for the project and the final report
- Establish employee/personnel guidelines including policies for annual, sick and personal leave, holidays, work hours, and other employment standards.
- Maintain employee benefits program and personnel records.
- Receive grant updates and reports from the project director, and support the project director in completing the outcomes and activities.
- Work with the project director regarding building lease arrangements (if pertinent).
- Work with the project director to prepare the budget, to draw funds based on previous and anticipated expenditures, prepare reports and immediately communicate funding concerns to the project director, OSE/EIS and specifically the fiscal grant manager.
- Subcontract with other agencies for personnel, if necessary. The agency with whom the fiscal agent contracts is responsible for establishing and maintaining employee/personnel guidelines including policy for annual, sick and personal leave, holidays, work hours and other employment standards.
- Carry liability insurance and other necessary business coverage, and is bonded. Potential liability elements of the grants will be identified in each negotiated grant agreement.
- Calculate the indirect rate according to the established indirect rate for that agency. If one or more subcontracts are established, it is the responsibility of the fiscal agent to negotiate with the contracting agencies regarding the indirect rate benefits.
- Know the business responsibilities according to the law and IRS rules.

Grant Manager(s) - are assigned by the OSE/EIS to manage IDEA Mandated Activities projects. This person(s) is the first line of contact for all project matters. The responsibilities of the Grant Manager(s) are to:

- Review the grant application and sign off on the Application Review Checklist, if 100% approvable. If the application is not 100% approvable, the grant manager works with the project director to resolve issues.
- Oversee the grant, monitor the progress of the grant toward meeting the outcomes and activities, and the timelines. The grant manager, in conjunction with the OSE/EIS, holds the project director and fiscal agent accountable for meeting program outcomes and the expenditure of funds.
- Communicate regularly with the project director about the project's progress.
- Know the project's outcomes, activities, and impact on the targeted audience.
- If necessary, visit the project site, attend advisory group meetings and, when possible, other project training meetings or in-service sessions.
- Review mid-year and end-of-year written progress reports and budgets to confirm the project is in line with the outcomes, activities, and data collected.

- Work with the project director to problem solve, resolve concerns, conflicts, and maintain the direction of the project. If the outcomes and activities are not being met, the grant manager may require a written action plan of correction from the project director.
- Inform the OSE/EIS of any grant concerns or when outcomes and activities are altered or changed.
- Ensure the fiscal grant manager receives a copy of the project's publications for the grant file.
- Monitor project activity, maintain clear lines of communication, and maintain objectivity to avoid conflict of interest.
- Update the OSE/EIS Director and staff on IDEA Mandated Activities developments, successes, and other topics of interest.
- Coordinate the document and product approval review process within the MDE for all grantees.

Program Finance - in the OSE/EIS maintains the IDEA Mandated Activities file, including the grant proposal, negotiated grant agreement, review criteria status, and reports. The responsibilities of Program Finance are to:

- Establish procedures for maintaining information pertaining to the IDEA Mandated Activities.
- Communicate with OSE/EIS regarding the IDEA Mandated Activities application approval status and budget information.
- Establish and update IDEA Mandated Activities allowable cost standards.
- Prepare IDEA Mandated Activities State Board and Superintendent items for approval.
- Provide all necessary information regarding fiscal agent responsibilities to the fiscal agents.
- Ensure the competitive bid process is followed.
- Provide information and technical assistance for project directors, fiscal agents, and OSE/EIS regarding allowable costs, accounting procedures, and program fiscal reviews.
- Resolve issues between grant recipients and the Michigan Department of Education's accounting unit relative to receiving funds.
- Review and approve, based on the recommendation of OSE/EIS the following: applications, all negotiated grant agreements, progress reports, budgets, amendments, and requests for capital outlay items.
- Notify grant managers and project directors before the end of the project period regarding their balance of funds to draw, to ensure funds are spent on a timely basis.
- Withhold grant funds based on the decision of the Director of the OSE/EIS.
- Develop a negotiated grant agreement process for IDEA Mandated Activities, when necessary.
- Initiate negotiated grant agreement meetings between the Michigan Department of Education, grant recipients, and fiscal agents.

- Approve the individualized negotiated grant agreements for each IDEA Mandated Activities Project, when necessary.
- Negotiate budget concerns between the OSE/EIS, grant manager(s), fiscal agent, and project director.
- Conduct program fiscal reviews of the IDEA Mandated Activities Projects that study the programmatic and fiscal aspects of the grant.

General Understandings

- Operation of the project is maintained in one of the following ways:
 - a. The project director operates the program and the fiscal agent implements the director's recommendations.
 - b. The grant recipient is the fiscal agent and the project director for the grant.
- It is understood:
 - a. grants are initiated at the Michigan Department of Education; and,
 - b. funds are federal set-aside funds used for meeting statewide needs. These needs are defined by a statewide needs assessment, focus groups, and the OSE/EIS priorities by law.
- The Michigan Department of Education, as grantor, accepts the personnel policies of the fiscal agent. The fiscal agent has the responsibility to provide the appropriate coverage for identified project staff.
- All parties participate in and agree to a negotiated grant agreement initiated by the OSE/EIS, when necessary. The OSE/EIS, project director, grant manager(s), and fiscal agent sign the negotiated grant agreement for each project.
- Any fees collected from grant services or products are entered into a revolving fee account. These funds must be used within the current grant year and expended within 30 days of receipt for products, services, or activities.
- Attempts to resolve conflicts are first negotiated between the fiscal agent and project director. The project director informs the OSE/EIS grant manager. If the conflict cannot be resolved between the fiscal agent and project director, then OSE/EIS negotiates the conflict. If the recommendation is to "terminate the grant" or change fiscal agents, the OSE/EIS notifies appropriate supervisory staff and proceeds to effect the change. Ultimate responsibility for the grant rests with the OSE/EIS.
- Project outcomes, and activities are subject to revision based on the OSE/EIS State Performance Plan and reporting obligations.