

**Questions & Answers from the MDE SES 2011-12
Provider Application Webinar
March 31, 2011
Responses prepared by Greg Olszta, MDE SES Consultant**

Q 1: What is the procedure for an already approved provider to recertify when it is submitting a new application for “substantial changes?”

A 1: For a complete response, please see directions in the SES Provider Application Manual at the link:
http://www.michigan.gov/documents/mde/SES_Application_Manual_3-15-11_348968_7.pdf

See pages 5-7.

Q 2: Can we get a copy of the webinar?

A 2: The PowerPoint used in the webinar is available on the MDE SES website at www.michigan.gov/mde-ses

Q 3: How can a new Supplemental Educational Services (SES) provider show a demonstrated record of effectiveness?

A 3: Please see the description in the 2011-12 SES Provider Application under Criterion 2, and the 2011-12 SES Application Rubric for Criterion 2.

Q 4: What is a good way to show financial soundness if a company is just starting out?

A 4: The business plan articulated in the documents to be submitted in Section E of the online application, in response to Criterion 2, including the ability to provide detail about Cash Flow, Expenses (minimum & maximum), proposed Billing & Payment records, Cash On Hand and Financial Narrative will demonstrate the level of soundness of the plan. Though the application does not specifically request this information, presentation of the plan for marketing and recruitment of students, and the districts targeted in the first year of operation and beyond may also be useful information demonstrating the soundness of the plan. This may be addressed briefly in the Financial Narrative. All of the assumptions upon which your plan and calculations are based must be transparent and clearly explained.

Q 5: Can we find an example of cash flow chart.

A 5: Unfortunately, MDE does not have selected examples of well-developed Cash Flow documents available. Two suggestions are offered: 1) consult with an accountant or business consultant familiar with cash flow presentations; 2) send a request for such documents to mde-ses@michigan.gov for specific, recently MDE approved SES providers that scored high in the application review for 2010-11. Such a request must be made under the Freedom of Information Act (FOIA) and should provide all required contact information for the requestor, and request specific documents from specific SES provider application(s) for the year requested. A specific form is not needed and an email will work, provided the necessary information is included.

Q 6: If a new provider has demonstrated successful tutoring services with a different method than is being used in the SES application, what is being requested, the history of the organization's success in the area or only the SES method?

A 6: Both. The effectiveness of the instructional methods, content, and program proposed to be used, and their effectiveness in increasing student academic achievement. See in particular the Sections of the SES Application labeled *Evaluation* for Criterion 2 & 3. The organization's successful track record may be significant to the extent that it can demonstrate it's effectiveness in increasing student academic achievement. However, a significant focus of the application narrative should be upon data and research of the effectiveness of the proposed SES methodology and instructional program in Michigan and/or other states and LEA districts, as appropriate.

Q 7: Is there a person or persons, who make a final selection of the applicants proposing to serve as new SES providers, i.e. if scores are close?

A 7: Greg Olszta is the MDE SES Consultant responsible for implementation of the SES Provider Application process, the review of applications and oversight of the review done by volunteer reviewers from the education community. Reviewers typically include staff of the MDE, local school districts (LEAs), intermediate school districts (ISDs), charter public schools, and may include others in various independent or consultant roles to the school districts, ISDs and MDE. To avoid any potential conflict of interest, MDE has not included staff of SES providers as volunteer application reviewers. All reviews are conducted by teams of two or more persons. While final approval decisions are made by MDE staff, approval generally follows the recommendation of the review teams.

Q 8: If the new application (submitted for current SES providers requesting “substantial changes”) is not approved for the already approved provider until after July 1, should the new data be a part of the June recertification?

A 8: The only changes that the already approved SES provider should make during the June “recertification” of the old or existing online application is to update those change requests that MDE has **already approved** that were made during the February change request window, e.g. approved rate change, change in the number of hours or days of tutoring per week to be provided, and an update of change in contact person, telephone number, email address, or web address, or other changes approved in writing by MDE.

See Q 1, above. For a full response, please see directions in the SES Provider Application Manual at the link:
http://www.michigan.gov/documents/mde/SES_Application_Manual_3-15-11_348968_7.pdf

See pages 5-7.

Q 9: For a new provider applicant, is it recommended to begin in the private sector to establish your company first before applying.

A 9: MDE does not have a “right” answer to this and makes no recommendations in this regard. These are tough choices and certainly an entrepreneurial educator seeking to be an SES provider should do what they believe necessary to give them the necessary experience and background to apply and operate successfully. An array of skills are obviously required to operate a successful business endeavor, including those required to be an effective educator, tutor, **and** skills to operate an effective and efficient business operation.

Q 10: Does the 20 new providers that may be approved for the 2011-12 school year include currently approved providers that are submitting their biannual re-applications?

A 10:

- Applications submitted by new applicants seeking to become new MDE approved SES Providers, and applications submitted by currently approved SES Providers seeking to make “substantial changes” to their program, are reviewed using the same review process, the same Rubric, and are reviewed at the same time in May as new applicants seeking approval as a SES Provider.
- The applications of already approved SES Providers seeking to make “substantial changes” are required to meet the more rigorous benchmarks, cut scores, and standards now in effect; however, the applications of already approved providers will **NOT** be included in the

more competitive group of applicants competing for the limited number of new SES Provider slots (20 in 2011-12).

For additional detail, please see response to Q 1, above.

Q 11: If a provider is not approved this year can they resubmit an application the following school year. Will denial be held against the provider.

A 11: Yes, an applicant that is denied in the current year is welcome to submit an application in the next annual application window.

Q 12: Are currently approved SES providers required to submit full applications every two academic years for re-approval?

A 12: Currently, approved providers are not required to re-apply at any set interval. Approved providers are required to "recertify" their applications on an annual basis. The only changes that the already approved SES provider should make during the June "recertification" of the old or existing online application is to update those change requests that MDE has **already approved** that were made during the February change request window, e.g. approved rate change, change in the number of hours or days of tutoring per week to be provided, and an update of change in contact person, telephone number, email address, or web address, or other changes approved in writing by MDE.

Other, more "substantial change" requests may require submission of a new online application. Please see the response to Q 1, above for more information about "substantial changes."

Q 13: May an applicant request to be approved to serve more than one school district but not provide services statewide?

A 13: Yes, Item #9 of Section A of the application provides for applicants to pick and choose districts that they are applying to serve. Please also see directions in the SES Provider Application Manual at the link: http://www.michigan.gov/documents/mde/SES_Application_Manual_3-15-11_348968_7.pdf See page 24.

Q 14: If an applicant seeks to serve a maximum number of 100 students and request 8 districts, do we need to show financial soundness for 800 students in the application? Even if we do not enroll that number?

A 14: The business plan articulated in the documents to be submitted in Section E of the online application, in response to Criterion 2, including the ability to provide detail about Cash Flow, Expenses (minimum & maximum), proposed Billing & Payment records, Cash On Hand and Financial Narrative

will demonstrate the level of soundness of the plan. Though the application does not specifically request this information, presentation of the plan for marketing and recruitment of students, and the districts targeted in the first year of operation and beyond may also be useful information demonstrating the soundness of the plan. This may be addressed briefly in the Financial Narrative. All of the assumptions upon which your plan and calculations are based must be transparent and clearly explained.

Q 15: How might an applicant calculate the per hour rate to be requested in Section A, Item #19?

A 15: This will depend to a large degree on the projected operational expenses. If the applicant is not well experienced in developing budgets, cash flow and other documents for business operations, they may do well to consult an accountant or financial consultant to assist with developing these business operations documents toward developing a required rate that will cover anticipated expenses. Also, note well the information provided in both items 18 and 19 of the application regarding the rate and the ability of the provider to serve students for the number of hours required to achieve individualized learning goals within the assumed allocation of \$2,000. See also, the SES Application Rubric, page 4, regarding the per hour rate of service.

Q 16: Can the provider supply the students with computers for computer based learning/distance learning?

A 16: Yes. However, the provider is prohibited from advertising verbally or in writing that the student may be able to keep the computer after services have ended. The MDE SES Code of Ethics specifically prohibit the offering of inducements and rewards to students and parents to enroll in their program. #25 from the Code of Ethics, below, specifically addresses the matter of technology. See also the Policy Letters from the US Department of Education and the MDE at:

http://www.michigan.gov/documents/mde/OSI_SES_policy_letter_guidance_12-15-08_w_USED_policy_letter_266580_7.pdf

From the MDE Code of Ethics:

- 21) Before or during the registration period, providers must not distribute any objects (such as gift cards, money, pencils, balloons, candy, Frisbees, tote bags, etc.) to parents or students. Informational program materials should be printed on paper.
- 22) Before or during the registration period, providers must not verbally or nonverbally promise or reference any objects or rewards that will be provided upon registration, program

completion or as student rewards during the provision of services.

23) Informational program materials, including the 150 word program summary, must not verbally or non-verbally promise or reference any objects or rewards that will be provided upon registration, program completion or as student rewards during the provision of services.

24) During the provision of SES, providers may not exceed a total of \$20.00 per student annually for rewards. These rewards may not be identified in any written informational material or identified verbally to parents until AFTER enrollment.

25) Technology based providers may not advertise computers as a reward for program completion. Students may keep computers at the cessation of tutoring services, but providers must fully disclose information about the computers as detailed in the MDE policy of December 15, 2008. This information may not be included in any written informational material or identified verbally to parents until AFTER enrollment. Computers are not subject to the \$20.00 annual cap on rewards.

Q 17: Will all applicants be notified of the scores received on their applications, including subscores?

A 17: Yes, all applicants will receive email notices sent to the main contact person listed in the application Section A, Item #6, using the email address provided for that person in the application.

Q 18: What is your email address where applicants may ask questions?

A 18: Applicants with questions may send their questions to mde-ses@michigan.gov

Q 19: To clarify, are an income and expense budget required as part of the application?

A 19: The only required financial documents that must be provided are those detailed in the application. See Section B, Criterion 2, and the corresponding information contained for Criterion 2 in the SES Application Rubric that may be found as part of the Sample SES Provider Application:

http://www.michigan.gov/documents/mde/Complete_Combined_11-12_SES_provider_App_packet_347455_7.pdf

Q 20: When can a provider receive payment?

A 20: Before a MDE approved SES Provider may begin to implement services, it must have a contract with the LEA which is required to offer SES. Each district has its own requirements and business policy and practices. The time that it takes each district to process submitted invoices will vary from one district to another. Some districts may process invoices and payments in 7-10 days. Others may require 60 days before funds are mailed or transferred to the SES provider. Applicants may wish to contact the districts that they are seeking to serve and ask the LEA SES Coordinator, or business office staff for the district about their usual turn-around time for payment.

Q 21: If you do participate in giving a computer for instruction....isnt it true that we have to complete a technology use report to the state at the end of the year?

A 21: Yes; please see response to Q 16 above, including the MDE SES Code of Ethics and see also the Policy Letters from the US Department of Education and the MDE.