



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING

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SUPERINTENDENT OF
PUBLIC INSTRUCTION

May 19, 2011

OSE-EIS 11-01

MEMORANDUM

TO: Intermediate School District Directors of Special Education and Business Managers

FROM: Eleanor E. White, Ph.D., Director
Office of Special Education and Early Intervention Services

SUBJECT: Allocating IDEA Part B Funds to New or Significantly Expanding Public School Academies (PSAs)

The purpose of this memorandum and the attached process flow diagram is to describe how to comply with IDEA Part B requirements relating to the funding of PSAs (referred to in the attached documents as charter schools) opening for the first time or significantly expanding their enrollment.

Going forward districts must use 34 CFR Part 76, Subpart H as the template for compliance.

A quick summary of the process:

- The PSA notifies the Michigan Department of Education (MDE) of opening or expansion/contraction.
- The MDE School Aid Office notifies the appropriate Intermediate School District (ISD) of the opening or expansion/contraction.
- The ISD processes funding for the new or significantly expanding PSA based on the best information available. Adjustments for over/under allocations can be processed at a later date when actual enrollment is known.
- If necessary the ISD updates its Michigan Education Grants System application to reflect new funding for the Charter School.

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This memo, the process flow diagram (Attachment A), the excerpts from 34 CFR Part 76 (Attachment B), and the Non-regulatory Guidance for 34 CFR Part 76, Subpart H can be accessed as follows:

Accessing the MDE-OSE/EIS web page: www.michigan.gov/ose-eis

- Select "Finance Management"
- Select "Allocating IDEA Part B Funds to New or Significantly Expanding Public School Academies"

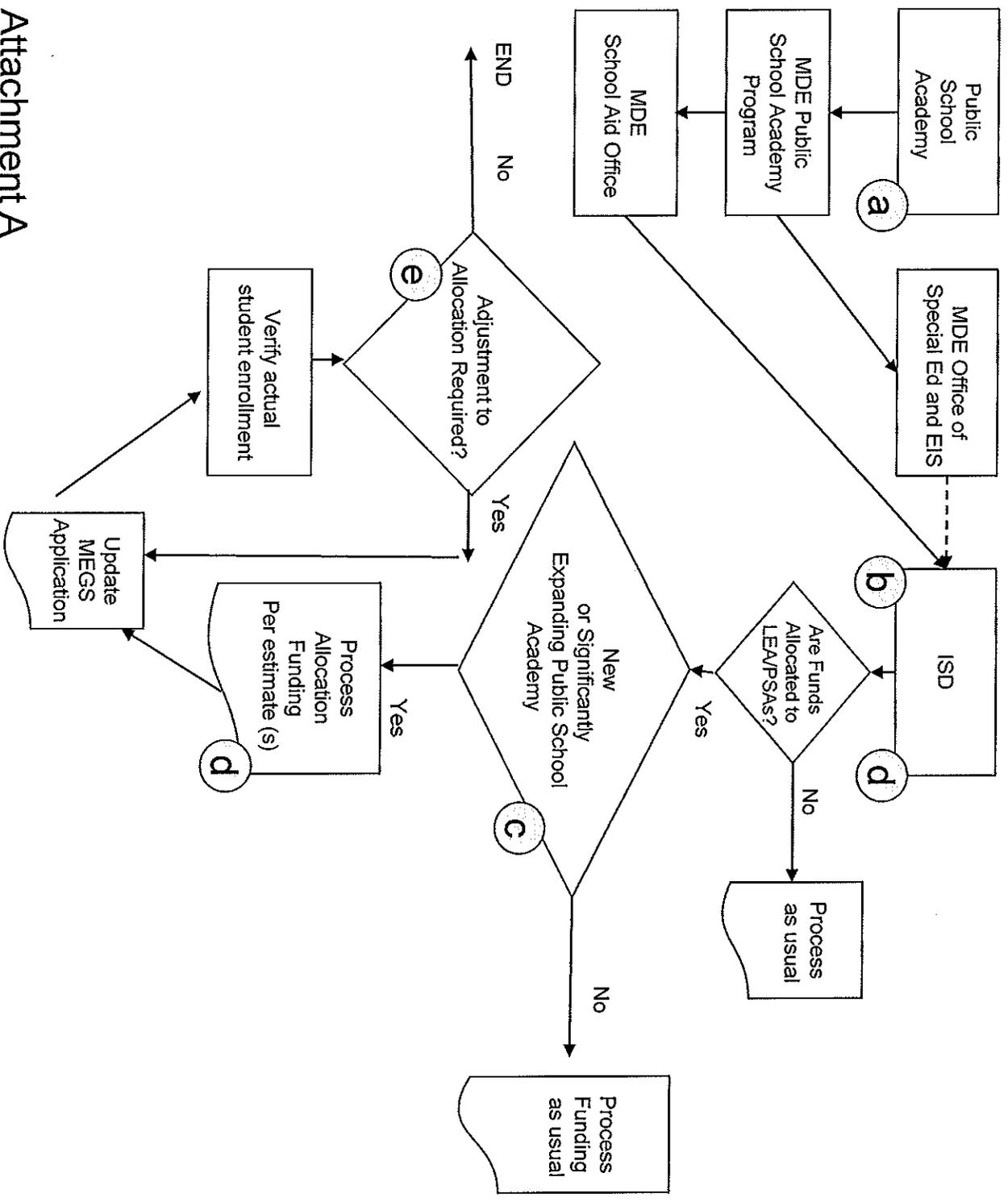
If you have further questions regarding this memo, please contact John Andrejack. Mr. Andrejack can be reached by email at (AndrejackJ@Michigan.gov), or by calling the OSE-EIS Program Finance at (517) 241-1235.

EEW:JA:eh

Attachment

Allocating IDEA Funds to New or Significantly Expanding Public School Academies

Start →



Attachment A

Attachment B

<p>a § 76.788 What are a charter school LEA's responsibilities under this subpart? (a) Notice. At least 120 days before the date a charter school LEA is scheduled to open or significantly expand its enrollment, the charter school LEA or its authorized public chartering agency must provide its SEA with written notification of that date. (b) Information. (1) In order to receive funds, a charter school LEA must provide to the SEA any available data or information that the SEA may reasonably require to assist the SEA in estimating the amount of funds the charter school LEA may be eligible to receive under a covered program</p>
<p>b § 76.799 Do the requirements in this subpart apply to LEAs? (a) Each LEA that is responsible for funding a charter school under a covered program must comply with the requirements in this subpart on the same basis as SEAs are required to comply with the requirements in this subpart.</p>
<p>c § 76.787 What definitions apply to this subpart? Significant expansion of enrollment means a substantial increase in the number of students attending a charter school due to a significant event that is unlikely to occur on a regular basis, such as the addition of one or more grades or educational programs in major curriculum areas. The term also includes any other expansion of enrollment that the SEA determines to be significant.</p>
<p>d § 76.789 What are an SEA's responsibilities under this subpart? (b) Allocation of Funds. (1) An SEA must allocate funds under a covered program in accordance with this subpart to any charter school LEA that— (i) Opens for the first time or significantly expands its enrollment during an academic year for which the State awards funds by formula or through a competition under the program; (ii) In accordance with § 76.791 (a), establishes its eligibility and complies with all applicable program requirements; and (iii) Meets the requirements of § 76.788(a). (2) <i>In order to meet the requirements of this subpart, an SEA may allocate funds to, or reserve funds for, an eligible charter school LEA based on reasonable estimates of projected enrollment at the charter school LEA.</i></p>
<p>e § 76.796 What are the consequences of an SEA allocating more or fewer funds to a charter school LEA under a covered program than the amount for which the charter school LEA is eligible when the charter school LEA actually opens or significantly expands its enrollment? (a) An SEA that allocates more or fewer funds to a charter school LEA than the amount for which the charter school LEA is eligible, based on actual enrollment or eligibility data when the charter school LEA opens or significantly expands its enrollment, must make appropriate adjustments to the amount of funds allocated to the charter school LEA as well as to other LEAs under the applicable program. (b) Any adjustments to allocations to charter school LEAs under this subpart must be based on actual enrollment or other eligibility data for the charter school LEA on or after the date the charter school LEA first opens or significantly expands its enrollment, even if allocations or adjustments to allocations to other LEAs in the State are based on enrollment or eligibility data from a prior year.</p>
<p>f § 76.797 When is an SEA required to make adjustments to allocations under this subpart? (a) The SEA must make any necessary adjustments to allocations under a covered program on or before the date the SEA allocates funds to LEAs under the program for the succeeding academic year.</p>