



New Funding Formula

Continue to distribute 80 percent of the federal award to the field, based on the following factors:

- Base Block for Administration according to size

Range of Base Block:

Rural Communities	(20)	\$50,000
Small Sized Cities	(17)	\$65,000
Medium Sized Cities	(10)	\$80,000
Metro Communities	(5)	\$125,000
Urban Communities	(5)	\$150,000

- An increasing target percentage to be served based on the SPP/APR targets approved by the Office of Special Education Programs (OSEP). In 2005 the targeted percentage to be served was 2.2%; in 2006 the targeted percentage was 2.3%; in 2007 it was 2.4%; and in 2008 it was 2.5%.

Example:

Wayne is classified as an Urban Community so its Base block would be **\$150,000**. The targeted **2.2%** of births in Wayne is equal to **2,462** based on 2007-08 data. The amount allocated per child to be served is **\$484**, based on dividing the total amount available (after the base amounts are subtracted) by 2.2% of the total births in the state in 2007-08.

So Wayne's award would be:

Base Block	\$ 150,000
\$484 X 2,462	<u>\$1,191,608</u>
Total Award	\$1,341,608

For each ISD, the projected numbers appear below. However, note that the figures are **estimates** only and not actual allocations. Actual amounts will also be impacted by the birth rate in a service area as well as the federal allocation to Michigan.

	Proposed	Target	Proposed New Formula	Proposed	Proposed	
	Block	2.2% of	By target birth rate	New Formula	New Formula	08-09 Actual Award
SERVICE AREA	\$	Period Births	\$484/BIRTH	TOTAL AWARD 08-09	TOTAL AWARD 09-10	TOTAL
Wayne	150,000	2,462	\$1,191,608	\$1,341,608	\$1,369,237	\$834,575
Kent	150,000	825	399,300	549,300	569,571	611,430



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	Block	2.2% of	By target birth rate	New Formula	New Formula	08-09 Actual Award
SERVICE AREA	\$	Period Births	\$484/BIRTH	TOTAL AWARD 08-09	TOTAL AWARD 09-10	TOTAL
Macomb	150,000	891	431,244	581,244	594,877	579,129
Oakland	150,000	1,313	635,492	785,492	799,855	559,526
Ingham	125,000	323	156,332	281,332	285,945	402,597
Ottawa	125,000	311	150,524	275,524	282,403	381,694
Genesee	150,000	540	261,360	411,360	420,773	371,251
Washtenaw	125,000	373	180,532	305,532	311,251	260,920
Saginaw	125,000	231	111,804	236,804	239,889	240,826
Kalamazoo	125,000	275	133,100	258,100	265,195	235,628
Monroe	80,000	154	74,536	154,536	152,375	215,613
Berrien	80,000	185	89,540	169,540	173,126	209,788
Muskegon	80,000	207	100,188	180,188	184,766	195,653
Bay-Arenac	80,000	125	60,500	140,500	143,265	180,043
TBA	80,000	162	78,408	158,408	161,485	176,334
Jackson	80,000	183	88,572	168,572	172,113	176,244
Livingston	80,000	175	84,700	164,700	166,546	160,962
Allegan	80,000	133	64,372	144,372	147,820	158,614
Gratiot-Isabella	65,000	107	51,788	116,788	119,661	149,952
Van Buren	65,000	91	44,044	109,044	112,575	148,184
Calhoun	80,000	164	79,376	159,376	163,003	143,527
Midland	65,000	82	39,688	104,688	105,996	141,895
Ionia	65,000	74	35,816	100,816	102,959	134,527
Lapeer	65,000	88	42,592	107,592	109,032	133,906
Lenawee	65,000	110	53,240	118,240	118,142	133,917
St Clair	80,000	181	87,604	167,604	169,583	129,229
Shiawassee	65,000	76	36,784	101,784	102,959	125,465
Montcalm	65,000	74	35,816	100,816	101,947	124,928
St Joseph	65,000	84	40,656	105,656	107,514	123,908
Hillsdale	50,000	50	24,200	74,200	75,812	120,002
Eaton	65,000	103	49,852	114,852	116,118	119,240
Marquette-Alger	65,000	62	30,008	95,008	96,885	115,982
Clinton	65,000	73	35,332	100,332	101,440	106,641
Branch	50,000	54	26,136	76,136	77,330	103,394
Delta-Schoolcraft	50,000	42	20,328	70,328	71,257	102,531



	Proposed	Target	Proposed New Formula	Proposed	Proposed	
	Block	2.2% of	By target birth rate	New Formula	New Formula	08-09 Actual Award
SERVICE AREA	\$	Period Births	\$484/BIRTH	TOTAL AWARD 08-09	TOTAL AWARD 09-10	TOTAL
COOR	65,000	55	26,620	91,620	92,330	95,242
Clare-Gladwin	50,000	53	25,652	75,652	77,330	94,369
Newaygo	50,000	56	27,104	77,104	78,849	90,964
Barry	65,000	63	30,492	95,492	96,379	89,980
Wexford- Missaukee	50,000	52	25,168	75,168	76,824	89,722
Charlevoix- Emmet	50,000	58	28,072	78,072	78,849	89,143
Eastern U.P.	50,000	49	23,716	73,716	74,294	87,906
Mecosta-Osceola	65,000	66	31,944	96,944	97,898	87,417
Lewis Cass	50,000	46	22,264	72,264	73,281	85,249
Tuscola	65,000	58	28,072	93,072	93,849	84,765
C-O-P	65,000	59	28,556	93,556	94,355	81,160
Dickinson-Iron	50,000	32	15,488	66,940	66,196	79,639
Mason-Lake	50,000	39	18,876	68,876	69,739	78,823
Sanilac	50,000	46	22,264	72,264	73,281	76,660
Manistee	50,000	22	10,648	60,648	60,628	71,398
Gogebic- Ontonagon	50,000	16	7,744	57,744	58,604	70,798
Copper	50,000	46	22,264	72,264	72,775	69,924
Menominee	50,000	20	9,680	59,680	60,122	69,008
AMA	50,000	39	18,876	68,876	69,739	68,888
Iosco	50,000	20	9,680	59,680	59,616	67,156
Oceana	50,000	34	16,456	66,456	67,714	66,198
Huron	50,000	29	14,036	64,035	64,677	66,035
TOTALS:	\$4,280,000	11,341	\$5,489,044	\$9,770,495	\$9,950,034	\$9,868,499
	Last Year					
	\$13,048,084		\$12,320,224	TOTAL AWARD	TOTAL AWARD	\$12,320,224
	\$10,438,467		\$9,868,500	80%	80%	\$9,868,500



This formula was proposed and supported by MDE because it better addresses the equity issue expressed by the Ad Hoc Committee. The mandated SPP/APR expectations and public reporting requirement are among the current incentives for local program performance.

Timeline for Proposed Formula Being Implemented

A new funding formula is a policy change; therefore, it must go out for formal public hearings. The state must publish and circulate the proposed change for 60 days, of which 30 must be available for public comment. Comments are then considered and, if necessary, the policy is adjusted for presentation to the State Board of Education. The Superintendent of Public Instruction will present the new policy to the State Board of Education for approval at the April 2010 meeting. If substantial comments are received, the State Board of Education will receive the proposal at the June 2010 meeting.

A new funding formula would also be submitted with the Michigan Part C Annual Application to OSEP, due May 10, 2010.

If approved/accepted, it is likely to become final in the fall of 2010, with a plan to implement in July 2011.

Developing a Plan of Support for the Field

The MICC has asked that a plan of support be developed for the service areas who will receive a decrease in funds, if the new funding formula is in place. The MICC, MDE, and the Budget Ad Hoc Committee all struggled with the disparity and reduction in funding for service areas. The MICC and MDE will hold discussions to develop a plan of support so the burden of decreased funding is more bearable.