

State Aid & IDEA Part B, Section 611 Allowable Costs

May 2020



Michigan Department of Education
Office of Special Education

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State Aid & IDEA Part B, Section 611 Allowable Costs

Sections 51a, 52, and 53a of the State School Aid Act limit categorical reimbursement to costs approved by the Michigan Department of Education. Federal Flowthrough funds for the *Individuals with Disabilities Education Act* (IDEA) are appropriated in Section 51a of the State School Aid Act and are subject to the same funding criteria as state funded programs, except where noted.

The following is a list of items approved to be included as direct costs on the **2019-2020 and 2020-2021** SE-4096, Special Education Actual Cost Report, IDEA Federal Grant application, and Final Expenditure Report (FER). This list also applies to on-grounds juvenile detention programs funded under Section 24 of the State School Aid Act. Items not on this list require prior Department written approval before being charged to the federal grant or state aid as direct costs.

Costs contracted from another Michigan public school district are not allowed on the SE-4096 and Section 24 SE-4824 cost reports or the IDEA Flowthrough grant budget.

Function Code 122 - Instruction

Special education classroom salaries. Report teacher costs using one of the program codes from the following table.

| Object Code | Program Code | Description | State Aid Funds | IDEA Flowthrough |
|-------------|--------------|------------------------------------|-----------------|------------------|
| 1240 | 110 | Mild Cognitive Impairment | Y | Y |
| 1240 | 120 | Moderate Cognitive Impairment | Y | Y |
| 1240 | 130 | Severe Cognitive Impairment | Y | Y |
| 1240 | 140 | Emotional Impairment | Y | Y |
| 1240 | 150 | Specific Learning Disability | Y | Y |
| 1240 | 160 | Hearing Impairment | Y | Y |
| 1240 | 170 | Visual Impairment | Y | Y |
| 1240 | 180 | Physical & Other Health Impairment | Y | Y |
| 1240 | 190 | Severe Multiple Impairment | Y | Y |
| 1240 | 191 | Early Childhood Special Education | Y | Y |
| 1240 | 192 | Severe Language Impairment | Y | Y |
| 1240 | 193 | Autism Spectrum Disorder | Y | Y |
| 1240 | 194 | Resource Program | Y | Y |

| Object Code | Program Code | Description | State Aid Funds | IDEA Flowthrough |
|-------------|--------------|---|-----------------|------------------|
| 1630 | N/A | Aide Salary Report by program assignment; instructional aides must be reported under Function Code 122-Instruction (lines 1-15 on the SE-4096). May have a split assignment (see Appendix A). | Y | Y |
| 1690 | N/A | Interpreter | Y | Y |
| 1860 | N/A | Substitute of Temporary Aide | Y | Y |
| 1870 | N/A | Substitute Teacher - Substitute teachers for IDEA professional development activities are reported under Function Code 221. | Y | Y |

Function Code 122 - Purchased Services Staff

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|-------------|--|-----------------|------------------|
| 3110 | Contracted Instructional Services - Approved special education instructional staff must be reported using the program codes on page 4. This is for public school academies and intermediate school districts only. Payments made for tuition are not considered professional development and are not an allowable cost. | Y | Y |
| 3110 | Substitute Teacher or Aide Contracted From a Third Party Agency - This is for local and intermediate school districts and public school academies. | Y | Y |
| 3190 | Other Professional/Technical Services for Staff - Such as medical consultation not provided under employee benefits. | Y | Y |

Function Code 122 – Purchased Services Non–Staff

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|-------------|--|-----------------|------------------|
| 3210 | Local Travel for Staff Traveling Between Buildings Only - Note: Record conference/in-service/workshop travel under Improvement of Instruction as Function Code 221, Object Code 3220 for instructional staff. Record conference/in-service/workshop travel for support services staff under Function Code 283, Object Code 3220. Payments for tuition are not considered professional development and are not an allowable cost. | Y | Y |
| 3450 | Instructional Software Licenses Only - i.e., digital text book subscriptions for special education students, not curriculum choices such as Edgenuity. | Y | Y |

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|--------------------|--|------------------------|-------------------------|
| 3610 | Printing for Instructional Materials on a Contracted Basis | Y | Y |
| 4120 | Instructional Equipment and Instructional Equipment Maintenance (i.e., hearing aids) - Used 100 percent for special education. This does not include repair or replacement costs for copy, fax, or other non-instructional equipment or machines. | Y | Y |
| 4220 | Rental of Special Education Instructional Equipment (i.e., wheelchairs). This does not include rental of copy, fax, or other non-instructional equipment of machines. | Y | Y |
| 5110 | Teaching Supplies and Materials - Includes consumable items and equipment valued less than \$5,000 for each piece. Only items used for pupil evaluation or instruction are reimbursable. An example includes instructional assistive technology toolkits for students with individualized education programs (IEPs). Furniture and instructional equipment ordinarily available for general education pupils are not reimbursable. This includes items such as desks, chairs, lockers, movies, overhead projectors, smart boards and white boards, and like items. Objects of expenditure should be assigned on a direct charge basis to each program. | Less than \$5,000 Y | Less than \$5,000 Y |
| 5210 | Textbooks for Exclusive Special Education Use - Including Braille and Talking Book expense. | Y | Y |
| 5310 | Library Books – These are limited to center-based programs in self-contained special education buildings and special education learning material centers. | Y | Y |
| 5410 | Periodicals for Special Education Pupil Use Only | Y | Y |

Function Code 122 – Capital Outlay

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|--------------------|---|------------------------|-------------------------|
| 64xx | Capital Outlay - Refers to non-consumable instructional equipment items that cost \$5,000 or more for each piece (based on the net invoice price of the equipment and other accessories or apparatus necessary to make the equipment usable for its acquired purpose). Installation costs are not included. Furniture and instructional equipment ordinarily available for general education pupils such as movie projectors, smart boards and white board, and lab tables are not reimbursable. Computers used 100 percent in special education classrooms for instruction are reimbursable. Department prior approval is required for IDEA Flowthrough. Prior approval is recommended if a district wants to be assured capital outlay costs are allowed to be reimbursed with State Aid funds. | \$5,000 Y | \$5,000 Y |

Function Code 122 – Other Expenses

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|-------------|--|-----------------|------------------|
| 7410 | Dues and Fees for Special Education Personnel Memberships in Professional Organizations Related to Special Education – Includes professional licenses for instructional and support personnel. Criminal background checks and Hepatitis B vaccines are now recorded under Function Code 283, Object Code 3190 or 7410. | Y | Y |

Function Code 122 – Employee Benefits for Instructional Staff Only

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|-------------|--|-----------------|------------------|
| 2100 | Insurance - i.e., individual health, dental, life, and other benefits in the 2100 series. | Y | Y |
| 2410 | Physicals, Hepatitis B Vaccines | Y | Y |
| 2800 | Retirement, Social Security, Medicaid – Includes other employee benefits in the 2800 series. Note: Special Allowance coded under 23xx (i.e., tuition is not an allowable cost.) | Y | Y |
| 2920 | Cash Payments - In lieu of benefits in the 2100 series. | Y | Y |

Function Code 213 – Health Services

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|-------------|---|-----------------|------------------|
| 1160 | Supervision - Must be at least half-time special education. | Y | Y |
| 1410 | Physician - When listed as an employee; for diagnosis or evaluation services only. Note: Services provided by a physician other than for diagnostic or evaluation purposes are subject to the medical exclusion and not reimbursable (Garret vs. U.S. Supreme Court, March 3, 1999). | Y | Y |
| 1450 | Nurse - Special education only. | Y | Y |
| 1470 | Physical Therapist | Y | Y |
| 1480 | Occupational Therapist | Y | Y |

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|-------------|---|-----------------|------------------|
| 1490 | Other Technical – Board Certified Behavior Analyst (BCBAs). All other technical professionals (non-BCBAs) require Department approval. | Y | Y |
| 1630 | Aides – Includes health care aides serving under an occupational therapist, physical therapist, or nurse. May have a split assignment (see Appendix A). | Y | Y |
| 1860 | Substitute or Temporary Aide | Y | Y |
| 3000-7000 | Series - Refer to pages 6-8 for directions (contracted costs from another Michigan public school district are not allowed). | Y | Y |
| 3130 | Professional/Technical - Contracted audiological medical service, psychologist, or other student services (reported under appropriate function codes). | Y | Y |

Function Code 214 – Psychological Services

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|-------------|--|-----------------|------------------|
| 1430 | Psychologist/Psychiatrist | Y | Y |
| 1630 | Bilingual Aides - Under R 340.1793. | Y | Y |
| 1860 | Substitute or Temporary Aide | Y | Y |
| 3000-7000 | Series. Refer to pages 6-8 for directions (contracted costs from another Michigan public school district are not allowed). | Y | Y |
| 3130 | Professional/Technical - Contracted audiological medical service, psychologist, or other student services (reported under appropriate function codes). | Y | Y |

Function Code 215 – Speech Pathology and Audiology

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|-------------|--|-----------------|------------------|
| 1280 | Speech and Language Therapist | Y | Y |
| 1490 | Audiologist | Y | Y |
| 1630 | Bilingual Aides - Under R 340.1793. | Y | Y |
| 1820 | Substitutes for Speech Audiology | Y | Y |
| 1860 | Substitute of Temporary Aide | Y | Y |
| 3000-7000 | Series - Refer to pages 6-8 or directions (contracted costs from another Michigan public school district are not allowed). | Y | Y |

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|--------------------|--|------------------------|-------------------------|
| 3130 | Professional/Technical - Contracted audiological medical service, psychologist, or other student services (reported under the appropriate function codes). | Y | Y |

Function Code 216 – Social Work Services

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|--------------------|---|------------------------|-------------------------|
| 1440 | School Social Work | Y | Y |
| 1630 | Bilingual Aides - Under R 340.1793. | Y | Y |
| 1820 | Substitute Social Worker | Y | Y |
| 1860 | Substitute of Temporary Aide | Y | Y |
| 3000-7000 | Series - Refer to pages 6-8 for directions (contracted costs from another Michigan public school district are now allowed). | Y | Y |
| 3130 | Professional/Technical - Contracted audiological, medical service, psychologist, or other student services (reported under appropriate function codes). | Y | Y |

Function Code 217 – Visual Aid Services

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|--------------------|---|------------------------|-------------------------|
| 1270 | Media Specialist for the Visually Impaired | Y | Y |
| 1290 | Orientation and Mobility Specialist | Y | Y |
| 1630 | Bilingual Aides – Under R340.1793. | Y | Y |
| 1860 | Substitute of Temporary Aide | Y | Y |
| 3000-7000 | Series - Refer to pages 6-8 for directions (contracted costs from another Michigan public school district are not allowed). | Y | Y |
| 3130 | Professional/Technical - Contracted audiological, medical service, psychologist, or other student services (reported under appropriate function codes). | Y | Y |

Function Code 218 – Special Education Consultant and Early Childhood Services

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|-------------|--|-----------------|------------------|
| 1250 | Instructional Consultation - To include special education teacher consultants and non-classroom early childhood special education instructional staff under Rules 340.1755 and 340.1862. Cost for programs under Rule 340.1862 apply to state aid only. Teacher consultants functioning under Rule 340.1749. For teacher consultants with a split assignment, only the teacher consultant time is reported here. Report teacher consultants functioning under Rule 340.1748a without a caseload under Function Code 221. | Y | Y |
| 1630 | Aides – May have a split assignment (see Appendix A); for early classroom programs only. | Y | Y |
| 1820 | Substitute Teacher Consultant | Y | Y |
| 1860 | Substitute of Temporary Aide | Y | Y |
| 3000-7000 | Series - Refer to pages 6-8 for directions (contracted costs from another Michigan public school district are not allowed). | Y | Y |

Function Code 219 – Other Pupil Services

This includes a transition coordinator, music therapist, recreation therapist, teacher of homebound/hospitalized, and other professional personnel who qualify under R340.1792 and are not included elsewhere.

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|-------------|--|-----------------|------------------|
| 1490 | Other Professional Personnel | Y | Y |
| 1630 | Aides – May have a split assignment (see Appendix A). | Y | Y |
| 1820 | Substitute Teacher Consultant | Y | Y |
| 1860 | Substitute of Temporary Aide | Y | Y |
| 1890 | Substitute Homebound/Hospitalized teachers | Y | Y |
| 3000-7000 | Series - Refer to pages 6-8 for directions (contracted costs from another Michigan public school district are now allowed) | Y | Y |

Function Code 221 – Improvement of Instruction

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|-------------|---|-----------------|------------------|
| 1250 | Teacher Consultants Without a Student Caseload - Functioning under special education Rule 340.1748a. | Y | Y |
| 1870 | Substitute Teachers - IDEA professional development activities only. | N | Y |
| 3120 | Professional Development - Performed by personnel qualified to assist district staff in performing their duties. | Y | Y |
| 3220 | Conference/In-Service/Workshop Travel (instructional staff only) | Y | Y |
| 3000-7000 | Series - Refer to pages 6-8 for directions (contracted costs from another Michigan public school district are not allowed). | Y | Y |

Function Code 226 – Supervision and Direction of Instructional Staff

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|------------------|---|-----------------|------------------|
| 1120 | Assistant Superintendent or Director of Special Education with the Title of Assistant Superintendent - Must be at least half-time at the local district or public school academy level. Intermediate school district special education directors must be full time. | Y | Y |
| 1160 | Supervisors - Must work at least half of their employment within the entity for reimbursement. | Y | Y |
| 1170 | Director of Special Education Who Is Not an Assistant Superintendent - Must be at least half-time at the local district or public school academy level). Intermediate school district special education directors must be full time. | Y | Y |
| 1620 | Secretary/Clerical – May have a split assignment (see Appendix A). | Y | N |
| 1880 | Substitute or Temporary Clerical | Y | N |
| 3000-4000 & 7000 | Series - Refer to pages 6-8 for directions (contracted costs from another Michigan public school district are not allowed). | Y | Y |

**Function Code 231 –
Board of Education (Purchased Services Only)**

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|--------------------|---|------------------------|-------------------------|
| 3170 | Hearing Officer and Mediation Fees - Hearing officer fees when an attorney is a hearing officer as required by special education rules. Note: School attorney fees for hearing are not allowable. | Y | Y |
| 3180 | Federal Audit Expenses - Chargeable to the appropriate federal grant provided there is a bill showing actual audit costs. | N | Y |
| 3190 | Professional Technical - Hearing officer and mediation fees if an attorney is not used. Court recorders for hearing cost are included here. | Y | Y |

Function Code 241 – Office of School Principal

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|--------------------|--|------------------------|-------------------------|
| 1160 | Special Education Supervisors Acting as Principals – Allowed when the school building is used solely for special education purposes. | Y | Y |
| 1620 | Secretary/Clerical – May have a split assignment (see Appendix A). | Y | N |
| 1880 | Substitute or Temporary Clerical | Y | N |
| 3000-4000 & 7000 | Series - Refer to pages 6-8 for directions (contracted costs from another Michigan public school district are now allowed) | Y | Y |

Function Code 261 – Direct Operation and Maintenance

Limited to facilities used solely for special education where the direct cost method is used. If a district chooses to use this method, the district must include a description of how the direct operation and maintenance is calculated. The district may not charge indirect costs for any special education supportive or related service housed in a facility for which direct operation and maintenance is charged. A description must accompany the SE-4096 and include: (a) a list of all special education programs, support services, and related service personnel housed in the facility; (b) the salary and related costs for each; and (c) the procedure used to deduct these costs from the indirect cost claimed by line item.

Special procedures and examples are available from the Office of Special Education upon request. The combination of direct and indirect totals cannot exceed the limit established in the State Aid Act which is presently 15 percent. Only state funds may be used for these costs.

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|-------------|---|-----------------|------------------|
| 1550 | Crafts and Trades | Y | N |
| 1620 | Other Operation and Services. This is limited to switchboard operator or receptionist in a facility used exclusively for special education. | Y | N |
| 1640 | Custodian | Y | N |
| 1670 | Laborer | Y | N |
| 2000 | Employee Benefits (same as for Function Code 122, see page 9) | Y | N |
| 3000 | Purchased Services | Y | N |
| 3800 | Utilities | Y | N |
| 3900 | Insurance | Y | N |
| 4100 | Repair and Maintenance Services | Y | N |
| 4200 | Rentals | Y | N |
| 5900 | Supplies & Materials for Operation & Maintenance | Y | N |

Function Code 271 – Pupil Transportation

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|-------------|--|--------------------------------|------------------|
| 33xx | Use this code to report costs for federally funded field trips and Department approved Section 53a transportation. Refer to Appendix B, "IDEA Reimbursement of Field Trip Transportation." Section 53a transportation expenditures are carried forward from the SE-4094 Transportation Expenditure Report to this line. | Section 53 Transportation Only | Y |

Function Code 281 - Planning, Research, Development and Evaluation

Costs limited to those 100 percent attributable to special education programs and services.

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|-------------|---|-----------------|------------------|
| 1180 | Special Education Approved Personnel - Functioning as planner/monitors, child find coordinators, or compliance personnel. | Y | Y |
| 3000-7000 | Series - Refer to pages 6-8 for directions (contracted costs from another Michigan public school district are not allowed). | Y | Y |

Function Code 283 – Staff/Personnel Services

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|-------------|--|-----------------|------------------|
| 3120 | Professional Development - Performed by personnel qualified to assist district staff in performing their duties more effectively | Y | Y |
| 3190 | Criminal Background Checks/Hepatitis B Vaccines (contracted service) | Y | Y |
| 3220 | Conference/In-Service/Workshop Travel for Non-Instructional Personnel | Y | Y |
| 7410 | Criminal background Checks/Hepatitis B Vaccines | Y | Y |

Function Code 284 –Support Services Technology for ISD Central Registry and IEP Software

Report data processing costs related to instructional materials under Function Code 122- Instruction. If a district operates their own computer program, an auditable method of billing must be used. Reimbursement is limited to operational costs and may not include purchase or replacement of equipment in the service costs.

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|-------------|--|-----------------|------------------|
| 1510 | Data Processing Personnel - One secretary/ clerical may be federally funded for the central registry at the ISD only. | N | Y |
| 3160 | Contract Data Processing Services for Central registry Only From a Non-School Entity - Costs cannot include programming charges or overhead costs. They are limited to machine time, keypunch, and supplies. Note: Public Consulting Group (PCG) related costs are not reimbursable. | Y | Y |
| 3450 | IEP Software | Y | Y |

Function Code 299 – Other Support Services

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|-------------|---|-----------------|------------------|
| 4190 | Other Purchased Services – Room and board for special education students. | Y | N |

**Function Code 2XX –
Employee Benefits for Support Services Personnel Only**

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|--------------------|--|------------------------|-------------------------|
| 2100 | Insurance - i.e., individual health, dental, life and other benefits in the 2100 series. | Y | Y |
| 2410 | Physicals, Hepatitis B Vaccines | Y | Y |
| 2800 | Retirement, Social Security, Medicaid - Includes other employee benefits in the 2800 series) Note: Special Allowances coded under 23xx (i.e., tuition) are not an allowable cost. | Y | Y |
| 2920 | Cash Payments - In lieu of benefits in the 2100 series. | Y | Y |

Function Code 331 – Community Activities

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|--------------------|--|------------------------|-------------------------|
| 3190 | Professional learning to educate parents/legal guardians on federal and state mandates regarding the rights and protections of students with disabilities so that parents/legal guardians may be able to provide meaningful input in collaboration with school districts to develop and implement an individualized education program (IEP). Department prior approval required. | Y | Y |
| 3220 | Travel Expenses for Special Education Parent Advisory Committee Members | Y | Y |
| 3610 | Printing of materials for parents/legal guardians on a Contracted Basis | Y | Y |
| 5990 | Miscellaneous supplies and materials | Y | Y |

**Function Code 371 – Non-Public School Pupils
(Used for Federal Proportionate Share Requirement)**

Services to pupils attending a school established by an agency other than the state, subdivision of the state, or the federal government, which usually is supported primarily by other, non-public funds.

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|--------------------|---|------------------------|-------------------------|
| 1250 | Special Education Teacher Consultant - Must be providing direct services to non-public school pupils. | N | Y |

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|-------------|--|-----------------|------------------|
| 1280 | Speech and Language Therapist | N | Y |
| 1430 | Psychologist/Psychiatrist | N | Y |
| 1440 | School Social Work | N | Y |
| 1470 | Physical Therapist | N | Y |
| 1480 | Occupational Therapist | N | Y |
| 2100 | Insurance - i.e., individual health, dental, life and other benefits in the 2100 series. | N | Y |
| 2410 | Physicals, Hepatitis B Vaccines | N | Y |
| 2800 | Retirement, Social Security, Medicaid - Includes other employee benefits in the 2800 series. Note: Special Allowances coded under 23xx (i.e., tuition) are not an allowable cost. | N | Y |
| 2920 | Cash payments - In lieu of benefits in the 2100 series. | N | Y |
| 3130 | Professional/Technical - Contracted audiological medical service, psychologist, or other student services (reported under appropriate function codes). | N | Y |
| 3210 | Local Travel - For staff traveling between buildings only. | N | Y |

Function Code 421 – Payments to Other Government Units Outside of the State

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|-------------|---|-----------------|------------------|
| 8310 | Tuition for Pupils Attending Public School in Another State. This is restricted to either districts that border another state or placements approved under the November 14, 1989 State Board Policy, "Application and Procedure for State Board of Education Authorization for Public Education Agency Placement of a Handicapped Pupil in a Private School." | N | Y |

Function Code 431 – Payments to the State Schools for the Deaf

Intermediate school districts (ISD) only.

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|-------------|---|-----------------|------------------|
| 3710 | Tuition for the Michigan Schools for the Deaf - May be charged to either state or federal funds. If tuition is charged to the federal grant, Section 54 revenue must be netted out. | Y | Y |

Function Code 441 – Payments to Other Governmental Entities

| Object Code | Description | State Aid Funds | IDEA Flowthrough |
|-------------|--|-----------------|------------------|
| 8910 | Transfers to the Michigan Department of Labor and Economic Growth, Rehabilitation Services, MDLG-RS - Related to a cooperative agreement that ensures the district receives special education services at least equal to the amount transferred to MDLG-RS, are eligible. Report these costs on line 40, column 8. Transfers to the Department of Health, the Department of Human Services, or other governmental units for cooperative services, are not reimbursable. Section 51a limits reimbursement to “approved special education personnel.” | Y | N |

Technical Assistance

Direct any questions to the Office of Special Education, Program Finance:

Michigan Department of Education
Office of Special Education
Program Finance
P.O. Box 30008
Lansing, MI 48909
517-241-1235

Contacts

Federal Funds: John Andrejack, AndrejackJ@michigan.gov

State Funds: Scott Kemmer-Slater, KemmerSlaterS@michigan.gov

Appendix A: Split-Funded Paraprofessionals and Secretarial/Clerical Staff



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING


GRETCHEN WHITMER
GOVERNOR

MICHAEL F. RICE, Ph.D.
STATE SUPERINTENDENT

MEMORANDUM

DATE: February 20, 2020

TO: Local and Intermediate School District (ISD) Superintendents,
Public School Academy Directors

FROM: Dr. Scott M. Koenigsknecht, Deputy Superintendent 
P-20 System and Student Transitions

SUBJECT: Clarification Regarding Funding for Special Education Secretarial/
Clerical Staff and Paraprofessionals with a Split-Assignment

Beginning with the 2019-20 school year, the Michigan Department of Education, Office of Special Education (MDE OSE) will allow reimbursement of split-funded secretarial/clerical staff who are not utilized full time in special education. This decision is a result of Michigan's School-Based Services (SBS) Medicaid Expansion/Caring for Students (C4S) (Medicaid Expansion). This replaces the previous requirement for secretarial/clerical staff to work 100 percent of the time in special education in order to be reported on the SE-4096 Special Education Actual Cost Report. This change extends past the Medicaid Expansion to include other types of split-funding. This change only applies to state aid funds. The use of Individuals with Disabilities Education Act (IDEA), Part B Flowthrough funds for secretaries/clerical staff is still not allowable.

Additionally, the MDE OSE continues to allow reimbursement of split-funded paraprofessionals who are not utilized full time in the delivery of special education programs, ancillary and other related services for that portion of time spent in the delivery of special education programs and services. Such paraprofessionals may be reimbursed under state aid or IDEA, Part B Flowthrough funding.

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The split-funding of salaries and wages for secretarial/clerical staff and paraprofessionals must be based on records that accurately reflect the work performed. These records must be supported by a system of internal control which provides reasonable assurance the charges are accurate, allowable, and properly allocated. The personnel activity report (PAR) for is no longer required.

The MDE OSE is in the process of updating the State Aid & IDEA Part B, Section 611 Allowable Costs document, the SE-4096 User Guide, and the SE-4096 Instructions to reflect the change to split-fund secretarial/clerical staff.

These changes directly align with Goal 7 of the MDE's Top 10 in 10 Goals and Strategies by developing an innovative and cohesive state education agency that supports an aligned, coherent education system at all levels (state, ISD, district, and school).

If you have any questions, please contact Sean McLaughlin by email at McLaughlinS@michigan.gov, or by calling 517-241-7123. You may also contact JL Purves by email at PurvesJ@michigan.gov, or by calling 517-241-7081.

cc: Michigan Education Alliance

Appendix B: IDEA Reimbursement of Field Trip Transportation

The State School Aid Act allows school districts to charge field trips for special education pupils to the IDEA Flowthrough grant. School districts are not allowed to charge other special education related transportation costs to the IDEA Flowthrough grant. Such a transfer of charges is considered supplanting under federal regulations.

Field Trip Defined

Field trips are non-mandated and noncredit events, which are considered extra- curricular or co-curricular activities. Instructional activities that are scheduled away from school on a regular basis are not field trips. Examples are as follows:

Example 1: Special education students are scheduled three mornings a week at a community-based instruction site. Since this is a regular scheduled activity which is part of the special education curriculum for these pupils, it is charged as a transportation cost under Section 58 of the State School Aid Act. These costs for transportation may not be charged to a special education grant.

Example 2: A special education class travels to a local civic center to see a dance troupe perform. Since this is not a regularly scheduled part of the curriculum, the costs of transportation may be charged to the special education grant as a field trip.

Refer questions related to the reimbursement of field trips with the IDEA grant to:

Michigan Department of Education
Office of Special Education
Program Finance
PO Box 30008
517-241-1235

Appendix C: Using State Aid and Federal Funds Under IDEA for Severance Payments and Bonuses

Severance payments, or money paid to employees upon dismissal or discharge, are not allowable as a direct charge for reimbursement under State Aid or IDEA federal funds.

Bonuses and incentive payments that exceed the contracted salary amounts, regardless of being coded as a salary (17XX) or a benefit (2XXX) are not a requirement under state or federal law for the provision of special education programs and services and are not reimbursable for State Aid or IDEA federal funds.

Appendix D: CEIS Function Codes

Intermediate School Districts (ISDs), Local Educational Agencies (LEAs), and Public School Academies (PSAs) may use the following function codes when implementing coordinated early intervening services (CEIS) for students not currently identified as needing special education. The function codes are for funds provided under Part B of the *Individuals with Disabilities Education Act* (IDEA).

Function Codes

- 111 Elementary
- 112 Middle / Junior High
- 113 High School

Appendix E: Prior Approval Request Form



Office of Special Education Prior Approval Request

- IDEA Flowthrough Grant State Aid Reimbursement

Please check the appropriate box for prior approval and use the space below to explain:

- Out of State Travel:** Describe the event. Please explain how travel relates to Special Education, and number of Special Education staff attending. Please attach documentation that includes the event location, expense, and purpose.
- Capital Outlay:** Explain how the items will be used to benefit only students with disabilities or how costs will be prorated. Explain where items will be placed or assigned. Please include documentation regarding the item(s) to be purchased with costs associated with the expense.
- Other** (not specifically found in Allowable Cost document), please specify:
- Staffing: Explain how the position relates to Special Education, including credentials required.
- Supplies/Materials: Explain how the items will be used to benefit only students with disabilities or how costs will be prorated. Explain where items will be placed or assigned.

I certify to the best of my knowledge that the above is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil, or administrative penalties for fraud, false statements, false claims or otherwise.

Name _____ Title _____

District Name _____ District Code _____

Approved _____ Not Approved _____