

2012-13 MDE SES Application Frequently Asked Questions

Q1. What is the deadline for the application and when will the applicants be notified of approval?

A1. The application submission deadline is 5:00 pm EST on Monday, April 30, 2012. Applicants will be notified after June 1, 2012 of their approval status.

Q2. Will the application and descriptive PowerPoint describing the application and submission process be available? Is there a site with this information available for those who are out of state applicants?

A2. A power point and all pertinent materials are posted at www.michigan.gov/mde-SES. There are no special instructions or information for out of state applicants.

Q3. Is there a minimum amount of insurance required?

A3. There is no set amount of insurance required for approval. However, the widely accepted industry standard for liability insurance is a minimum of \$1.0 million for each occurrence. Each school district will establish its own requirements as detailed in the provider contract.

Q4. Can I operate my program online and in a place of business for the students who are struggling the most?

A4. Providers may propose a mixed-delivery method for SES, but the proposed methods will require different approaches. Each instructional approach must be backed by research and demonstrate a positive impact on student achievement.

Q5. Who is required to attend the mandatory MDE and school district SES Provider Orientation sessions? Can someone attend to represent the company, even if it is not the owner?

A5. Each newly approved provider must send a representative to the MDE orientation session and to any district meeting that is required of new providers. MDE does not specify who the provider representative is. Providers should send an individual who is able to ensure that the guidance, direction, and policy presented at each meeting is understood and implemented correctly by the provider.

Q6. Can I find district building usage policies on the MDE website?

A6. MDE does not collect or post this information. Providers must contact the individual school districts for information related to building usage policies.

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Q7. Can a teacher apply to become a provider?

A7. Yes. A teacher may apply to become an approved SES provider in Michigan; however, MDE encourages applicants to be organized and to apply as a corporation organized in Michigan, or another state, and **must** provide a copy of the certificate of incorporation (identifying the state issued corporation ID number). If the legal entity is a non-profit corporation and tax exempt under the United States Department of Internal Revenue regulations, please also provide proof of 501(c)(3) tax-exempt status. Documentation of tax-exempt status is not documentation of corporate organization. Information about forming a corporation in Michigan may be found at the Michigan Department of Licensing and Regulatory Affairs, Commercial Services & Corporations website: http://www.michigan.gov/lara/0,4601,7-154-35299_35413_35426---,00.html

Q8. Can the organizer of the tutoring services hire a school district or school building administrator as a consultant?

A8. No. Effective 2011, the SES provider Code of Ethics states the following:

- Providers shall not employ any school district staff who currently serve in the capacity of Superintendent, Assistant Superintendent, Finance or Business Officer, Principal, Assistant Principal, or other administrative staff in a decision-making capacity, building SES Coordinator, or district SES Coordinator (updated for 2011-2012 school year).
- Providers are subject to any conflict of interest policy/procedures of the district. Teachers may be employed by a SES provider as a tutor in the same district in which they are employed (updated for 2011-2012 school year).
- Providers shall not be or employ any individuals, including parents or community leaders, who have any decision-making authority over a school district or school site in which those individuals are employed and/or hold leadership positions. The sole exception shall be in school districts that are considered rural and where there are few providers (updated for 2011-2012 school year).

Q9. Clarification on who can apply to be a provider: does this mean that only Principals may not apply to become a provider within the district that employs them?

A9. This restriction applies to all providers and all districts. A Principal or other administrator may not be employed in any capacity by any SES provider, regardless of what district the Principal or administrator works

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in, or the school districts the SES provider operates in. Please see the SES Code of Ethics for further clarification.

Q10. Can documents be attached in the online application?

A10. Yes – in fact, you are required to upload your financial and other documentation in the electronic application.

Q11. Does the online application indicate if the applicant may be missing information before it is submitted to prevent an error in submitting too soon?

A11. Yes – the application has an error checking function that will alert the applicant when some sections are not completed. However, the applicant is ultimately responsible for the content and completion of the application. The application cannot detect if all required documents have been uploaded, or if some uploads are missing. MDE will only consider the information submitted and uploaded with the application.

Q12. In reference to the \$20 limit per child per year for rewards - we have a motivational system where kids earn tickets that turn into tokens that can be used to purchase items from our success central display. Most items are only a \$1 or less. It usually takes approximately 3 hours or so to earn enough tokens to purchase a \$1 item. Do we have to keep a separate inventory to show that each child received less than \$20 in rewards?

A12. In this case, the provider must maintain documentation on each child indicating the dollar amount the child has received in awards, not to exceed \$20.00 in cash value.

Q13. Do you have to enclose financial statements of your organization to meet the cash flow requirements?

A13. The cash flow documents are a 12-month record of your projected income and expenses. Financial statements are more appropriate for the **Cash-on-hand** requirement, which may be identified in the cash flow document as available to support the business during months when there is a revenue shortfall. Source documents, e.g. bank statements, dated 30 days prior to submission of the application, must substantiate the availability of funds referenced in any financial statement and cash flow documents.

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Q14. Is it difficult for new businesses to obtain approval?

A14. It should be no more difficult for a new business than an established one to obtain approval. All applicants are required to meet the same standards for approval and required to submit the same types of information and documents.

Q15. How are volunteer tutors included in the line item budget?

A15. The applicant should make a note in the cash flow and minimum/maximum students served documents indicating that some (or all, as appropriate) tutors work on a volunteer basis and will not receive compensation for their services. MDE recommends that you include this information in your financial narrative as well. Volunteer tutors must still meet the minimum education requirements and adhere to other school district requirements that apply to tutors.

Q16. Will district budget cuts effect payment for tutoring services rendered?

A16. No. Federal law requires Title I districts to set aside funds to pay for SES. SES funding is not affected by state budget cuts.

Q17. If we are securing a loan for cash on hand can a letter of credit be submitted as part of the cash-on-hand statement?

A17. Yes. Loan documents indicating you will receive a specified amount are acceptable as evidence of cash-on-hand. If the loan or line of credit documents were approved more than 30 days before submission of the application, the applicant is required to provide an updated letter from the lender regarding the current amount of credit available, and it must be signed and dated by the lender no more than 30 days before submission of the application. Documents submitted to support the **cash-on-hand** financial position must be of recent issue, dated no more than 30 days before the submission of the application. MDE may contact the lending institution or individual to ensure the availability of funds before the application is approved. If a lender is an individual, e.g. a relative, private investor, the documentation of available funds must be supported by bank statements and/or other additional documents indicating that the individual lender has those funds available to them. Those financial statements must be dated no more than 30 days prior to submission of the application. Letters from individual investors must be signed and witnessed by a notary public. However, subsequent changes in the financial position of an approved provider that negatively affect the financial stability of the provider must be reported to MDE. Changes in the financial position and financial

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stability of an approved provider may affect whether the provider can continue as a MDE approved SES provider.

Q18. Can a letter of credit be submitted as part of the cash flow statement?

A18. The cash flow documents are a 12-month record of your income and expenses. A letter of credit is appropriate for the **cash-on-hand** requirement and must be issued and dated within 30 days or less prior to the application submission. Source documents, e.g. bank statements, letter of credit, dated 30 days prior to submission of the application, must substantiate the availability of funds referenced in any financial statement and cash flow documents. However, subsequent changes in the financial position of an approved provider that negatively affect the financial stability of the provider must be reported to MDE.

Q19. Can Principals decide what providers they want in the building or are all providers entitled to provide services to all schools they selected in their applications?

A19. School districts must allow any provider approved by the State to serve the district with the opportunity to recruit and enroll students. However, this does not mean the district will have space available in the school buildings for all providers to use for tutoring. Each school district must have procedures to determine how many SES providers are allowed to utilize school buildings for services and how those providers are chosen to serve students in the buildings.

Q20. Can school districts assign SES providers to specific schools?

A20. The applicants designate in their application which school districts they will serve. The district may not limit provider access to students in individual schools within the district. However, they may limit the number of providers allowed to use the school building as the location for services.

Q21. Who makes the final choice of contracting with a MDE-approved SES provider?

A21. School districts must allow any provider approved by the State to serve the district with the opportunity to recruit and enroll students. Parents select the SES provider from a list of providers approved by the State to serve the school district. Providers must enter into a contract with the school district that they are approved to serve in order to provide tutoring services and receive payment for SES services. Issuance of the contracts by the district may be subject to meeting district requirements for contractors, e.g. documentation of completed criminal background and fingerprint check of SES staff, and documentation of meeting minimum

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liability insurance requirements. If no parents choose your company for tutoring, the school district maintains the right not to offer you a contract.

Q22. Once approved, can providers reach out to building administrators or market directly to parents or are there limitations for recruiting students?

A22. Once approved, providers may contact district officials. All SES business should be conducted through the district central offices. Providers should not engage building-level administrators unless permission or direction to do so is given by the central office (i.e., district Title I office, district SES coordinator, or Federal grants office). Each district will have enrollment procedures that SES providers must follow. Contact the district in question for further guidance.

Q23. Who in the district do we correspond with?

A23. Districts will generally initiate contact with you once the State has supplied them with the approved provider list. All SES business should be conducted through the district central offices. Providers should not engage building level administrators unless permission or direction to do so is given by the central office (i.e. district Title I office, district SES coordinator, or Federal grants office). Each district will have enrollment procedures that SES providers must follow. Contact the district in question for further guidance.

Q24. How are providers chosen by a district?

A24. Providers are not chosen by the district. Applicants identify which districts they wish to serve in the application. Once approved, the districts must allow providers the opportunity to recruit and enroll students as described in the State-approved application. Providers must serve the districts approved in the application.

Q25. Can the applicant select multiple location options for tutoring and decide later which location to use (i.e., in case school location can not be used).

A25. Yes. You may provide multiple locations for service. However, the applicant should take into consideration if those multiple locations require different instructional methods/approaches (i.e., online vs. in-home tutoring) and indicate how those different approaches are backed by research and have a positive impact on student achievement.

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Q26. What expenses can be paid out of the per student allocation? Is the amount allowed per student made available to include other incurred expenses; i.e., rental costs for outside accommodations, computers, etc.?

A26. Any and all costs associated with legally running your tutoring company are considered acceptable expenses. Your hourly rate must be set to meet all of your anticipated expenses.

Q27. Do you have to provide transportation for the students? What is the standard for transporting students to and from the provider's location?

A27. Providers are not required to transport students. The provider may offer transportation, but it is up to the provider to determine how this will occur and obtain insurance coverage for transportation. The provider must follow all applicable State laws governing the transportation of school aged children. Applicants intending to provide transportation must indicate that in the application. Providers not approved by MDE to provide transportation may **not** provide transportation of students.

Q28. If all tutors employed by the applicant agree to receive their payment after the districts turn around payment, can we include this information in our application?

A28. Yes. This information should be included in the financial narrative. Notation should also be made in the cash-flow document.

Q29. Where can we find the per student allocation for school districts?

A29. This information will be posted to the MDE website (www.michigan.gov/mde-ses) before the beginning of the school year. District allocations per student are subject to change from year to year depending upon the funds provided to the state and district by the United States Department of Education.

Q30. Do we need certified teachers for tutoring?

A30. No. The minimum requirement for tutors is a high school diploma. However, if the applicant has indicated a higher minimum standard for tutors in the application, MDE and the districts will hold the approved applicant to that higher standard, as approved in the application.

Q31. Can a teacher work for an SES provider after school and tutor the same students they teach during the school day? Can a provider work for the district they want to provide tutoring for?

A31. Yes. However, the SES Code of Ethics must be followed, which states:

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- Any school personnel employed by an SES provider shall not recruit students to a provider's program, engage in marketing activities on behalf of a provider, or otherwise promote or encourage students to enroll in a specific provider's program. This restriction does not apply to school districts that are approved SES providers.

Q32. Do I need to purchase a curriculum for this application, or can I use one that has been adopted?

A32. Providers may choose to purchase any of the research-based curricula currently available for tutoring. If the applicant is already in possession of such a curriculum, they do not need to purchase a new one.

Q33. Is proof of purchase or UPC of curriculum materials required to apply?

A33. No.

Q34. Are there a minimum/maximum number of applicants that may be given approval for the 2012-13 school year?

A34. No. Applications will be approved based on meeting or exceeding a total minimum application score (85 pts), and meeting or exceeding the minimum in each criterion. Applications which fail to receive a minimum of 85 points or more, and the minimum in each criterion, will not be considered for approval.

Q35. Can we provide two rates, one for the tutoring and one for the transportation?

A35. No. The provider sets one maximum hourly rate for tutoring. Applicants must take into consideration all aspects of their proposed business plan and set an hourly rate that accounts for all anticipated expenses.

Q36. If you are not qualified to work with the special needs population, why would a business be held responsible to serve this population?

A36. Section 1116(e)(3)(A) of Title I legislation requires school districts to:

...develop, in consultation with parents (and the provider chosen by the parents), a statement of specific achievement goals for the student, how the student's progress will be measured, and a timetable for improving achievement that, in the case of a student with disabilities, is consistent with the student's individualized education program under section 614(d) of the Individuals with Disabilities Education Act;

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School districts and providers must work with parents to ensure the tutoring choice for their child is appropriate, and take into account whether or not the student has special needs. If the parent selects a provider for their child even after the provider indicates they do not feel qualified to serve that child, the law requires the provider to offer services to the best of their ability.

Q37. Once students have met their maximum hours for tutoring are they done until the next school year?

A37. The end of tutoring will depend on the district's per-student allocation. Tutoring should continue until the student's allocation is exhausted.

Q38. Can the application be saved and updated?

A38. Yes. The application may be saved and updated repeatedly until submitted. However, the applicant is responsible for the final application they submit, and should maintain copies of any materials used during the application process.

Q39. Would implementing the Reading Recovery Program be accepted?

A39. No. The Reading Recovery program is a short-term reading intervention aimed at first grade students only. This program was not designed or intended for any other grade levels and is therefore not appropriate for use in SES.

Q40. Of the minimum of two enrollment periods per year that a district is required to offer students for SES, which period is for summer?

A40. Either enrollment period may be used for the summer. It is up to the individual school district to determine enrollment procedures and timelines.

Q41. How do we find eligible students?

A41. The school districts will determine who the eligible students are. School districts will notify parents, may conduct open houses, parent fairs, or a variety of recruitment and enrollment drives. Check with each school district you propose to serve for their enrollment procedures.

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Q42. As providers, do we need to find the eligible students or are the schools required to offer SES within districts?

A42. No. The district will let you know which schools must offer SES and how many students are eligible for services. However, districts cannot assign students to any provider and the recruitment of students is competitive and must be fair. A list of districts and school building required to offer SES services may be found at the MDE SES webpage at www.michigan.gov/mde. It is updated periodically and buildings may be removed from the list for legitimate reasons, e.g. if the school is no longer eligible to receive, or does not apply for, Title I Part A federal funds.

Q43. What is the minimum/maximum number of students you can serve?

A43. There is no set minimum or maximum. It is up to the applicant to determine the number of students they will serve per district. This decision is based on a sound business plan that allows the applicant to run their tutoring business with a minimum and maximum number of students in a district. Once approved by MDE, the minimum and maximum number of students that can be served per district may **not** be changed until the next school year. Approved providers are notified in advance about how they may request such changes for the next school year. Significant changes in the number of students that may be served in each district may require submission of a new application in order to be approved for the requested change.

Q44. If your application is not approved will you have an opportunity to resubmit another application that year?

A44. No. There is only one SES application period per year. Unsuccessful applicants may apply for the 2013-14 school year.

Q45. I've been tutoring for a K-12 charter school in Michigan for 4 years now as a private consultant. The instruction has been geared towards MEAP and ACT objectives. This school has made adequate yearly progress (AYP) every year since I've been running my program there. Will letters of recommendations from the school leaders, parents, and teachers benefit in the application process?

A45. Endorsements or recommendations should be included in the narrative for criterion #2, Demonstrated Record of Effectiveness. Extra attachments that go beyond the narrative page limits are not considered.

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Q46. Do we need a company name or can we tutor as an individual?

A46. The name you use is up to you, but the State must have a legal entity name on file. MDE encourages applicants to be organized and to apply as a corporation organized in Michigan, or another state, and must provide a copy of the certificate of incorporation (identifying the state issued corporation ID number. If the legal entity is a non-profit corporation and tax exempt under the United States Department of Internal Revenue regulations, please also provide proof of 501(c)(3) tax-exempt status. Documentation of tax-exempt status is not documentation of corporate organization. Information about forming a corporation in Michigan may be found at the Michigan Department of Licensing and Regulatory Affairs, Commercial Services & Corporations website: http://www.michigan.gov/lara/0,4601,7-154-35299_35413_35426---,00.html

Q47. Can we take students other than the ones involved in the SES program if they are private pay?

A47. All students served through SES must be serviced as described in the approved application. Services for students who receive tutoring privately outside of the SES are not regulated by MDE.

Q48. If the hours to achieve the individualized learning goals can differ from one student to another, should we use the average number of hours in question number 18 in the application?

A48. The hours of service are determined by the applicant. This number represents what applicant believes is necessary for any student served to achieve their learning goals. Therefore an average number is acceptable.

Q49. Of the minimum hours for achievement, is the average 25? Isn't this determined by the individualized lesson plan?

A49. All sample calculations used are to demonstrate how the hourly rate calculation works and do not represent a state average number of hours of service. The minimum hours of service are determined by the applicant's curriculum and the hours needed for the student to increase his or her academic achievement.

Q50. Can schools choose companies other than State approved SES providers to service their students?

A50. No. School districts may only use a State-approved provider for SES.

Q51. What are the tutor-student ratios for tutoring?

A51. The recommended ratios are:

For non-computer based instruction:

1 tutor to every 5 students

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For computer based instruction in a classroom or lab setting: 1 tutor for every 8 students
For online instruction with an off-site facilitator: 1 tutor for every 30 students

Q52. Can students change providers after they have already signed up with any provider and are there any preset conditions?

A52. Students may change providers after they have signed up, subject to any contractual or policy/procedural limitations placed on this by the school districts. The following applies from the SES Code of Ethics:

Providers must not encourage or induce students or parents to switch providers, once enrolled, without approval by the district. Providers may not create or distribute enrollment change forms for this purpose.

Q53. Can a new company use the same curriculum, materials, research, etc. that a currently approved provider uses?

A53. Yes. A new company may utilize the approach used by an existing approved provider as long as the applicant can demonstrate that the approach is research-based and designed to increase academic achievement.

Q54. Can an applicant submit more than one application for the 2012-13 school year?

If an applicant submits more than one application using the same Federal EIN, Tax ID or Social Security Number, for the same applicant entity, then only the second application submitted will be reviewed and considered for approval. All required information and attached documents must be submitted as an upload in the second application submitted. If an applicant has submitted more than one application, only the documents uploaded in the second application submitted will be considered in the review for approval process. Documents from two or more applications will NOT be combined to complete the application process. Two incomplete applications do NOT equal one complete application. Eligible applicants that are not approved will be notified and may apply next year. Applicants that submit an incomplete application, or late application, will be notified that their application was not reviewed and that they may apply next year.