

FUNDING

Intermediate School Districts (ISDs) are the grantees for the Great Start Readiness Program (GSRP). ISDs receive funding via eleven State Aid Payments for each fiscal year, beginning in October. Information pertaining to State Aid Payments may be found under Section 32d "Great Start Readiness Program" in the State Aid Financial Status Report sent monthly to each ISD. Local agreements detail the process and timeline of how funding is flowed to subrecipients.

GSRP funds are appropriated annually based on an October 1st to September 30th fiscal year. ISDs are to ensure that revenues and expenses related to services and materials purchased for their respective fiscal year are recorded in their accounting system for that same year. Revenue is not allowed to be earned on any GSRP funds. ISDs receive an allocation to implement the program and a transportation allocation.

Grant Eligible Applicants

GSRP is described in Sections 32d and 39 of the current State School Aid Act. GSRP grants are allocated by the Michigan Department of Education (MDE) to ISDs.

Requesting and Awarding of the Allocation

The ISD must complete all applications and reports for GSRP in the Michigan Electronic Grants System Plus (MEGS+). Only the ISD can initiate or submit a GSRP application and the associated reports. An ISD's Authorized Official, one who is a Level 5 in MEGS+, is the only person who performs high-level administrative activities within a grant application or give others access to the application.

An ISD intending to implement GSRP submits the Community Needs Assessment and Application (CNA) in the Michigan Electronic Grant System Plus (MEGS+). The CNA is prepopulated with data on the number of children in its area from families living at 250% of the Federal Poverty Level (FPL) or less, and the number it is estimated Head Start will serve the following year. After decisions made with local partners on the documented need and how it will best be met, the CNA must go through a review and endorsement process with the local Great Start Collaborative.

After the State School Aid bill is signed into law by the Governor, identifying the total statewide allocation and the amount to be allocated per ~~st~~ school-day child, the MDE calculates ISD funding levels based on the specifications in legislation. The ISD may serve children in a school-day (1 FTE) part-day (.5 FTE) or GSRP/Head Start Blend (.5 FTE) program option. An email notification is sent to ISD staff with Level 5 authority in MEGS+, application business officials, and early childhood contacts to inform them that the allocations have been posted on the GSRP website. The email announcement and allocation list serves as notification of funding for audit purposes. Soon after, notification that the Acceptance of Funds is live in MEGS+ is also done by email announcement. Within the Acceptance of Funds, ISDs indicate the amount of funding to be accepted for implementing programs. Email notification is also sent to Level 5s, business officials and early childhood contacts when the Program Implementation Plan (PIP) is live in MEGS+.

Funding

Initial Funding

The initial allocation to each ISD is the lesser of the sum of the number of children served in a School-day program in the preceding year multiplied by \$7,250.00 per child plus the number of children served in a GSRP/Head Start Blend program or a Part-day program in the preceding year multiplied by \$3,625.00 per child (hold harmless) or the sum of the number of children the ISD has the capacity to serve in a School-day program multiplied by \$7,250.00 per child plus the number of children that could be served in a GSRP/Head Start Blend program or a Part-day program multiplied by \$3,625.00 per child.

Subsequent Funding

Annually MDE will determine a percentage of children served by each ISD by dividing the number of children served in the immediately preceding year by the total number of children within the ISD who meet the criteria of Section 32d as determined by the Department utilizing the most recently purchased American Community Survey data. The resulting percentage of eligible children served shall be compared to a statewide benchmark to determine if the ISD is eligible for additional funds, should there be any. Currently the statewide benchmark is 60 percent.

If funds remain after the initial allocation, MDE will distribute remaining funds to each ISD serving less than the state benchmark based upon each applicant's proportionate share of the remaining funds.

When all ISDs have been given the opportunity to reach the statewide benchmark, the benchmark may be reset, as determined by the Department, until greater equity of opportunity to serve eligible children across all ISDs has been achieved.

If the ISD or a subrecipient determines that it can serve additional eligible children in GSRP without additional funding, it may include additional eligible children but will not receive additional funding under Section 32d for those children.

Funding Structure Review

MDE will review the program components under Section 32d and under Section 39 at least biennially. The department shall also convene a committee of internal and external stakeholders at least every five years to ensure that the funding structure under Section 39 reflects current system needs under Section 32d.

Counting Allocated Spaces as Filled/Not Filled

The total amount of funding earned each year by the ISD is determined by the number of children who have been entered during the MSDS Early Childhood Spring Collection as enrolled in GSRP and the program option in which they attended. The total value of filled spaces from the accepted allocation will be the ISD's "hold harmless" amount to be used in the following year's allocation process.

Each child enrolled during the MSDS Early Childhood Spring Collection is considered to "fill" a discrete space. Children who leave the program during the MSDS Early

Childhood Fall Collection must be exited with their accurate exit date. Grantees may consider a space “filled” after a child completes participation in at least one preschool session or daily routine during the MSDS Early Childhood Spring Collection. To support service to the highest number of eligible children, grantees are encouraged to use the wait-list to fill vacated spaces.

Example 1:

A child enrolled in September but left the program in mid-October. That child will not count as filling a space as he was not a part of the program during the MSDS Early Childhood Spring Collection Reporting Period.

Example 2:

A child participated in GSRP from October through December before his family moved to reside within a different ISD. The child was “exited” in MSDS with the proper date. As he attended during the MSDS Early Childhood Spring Collection reporting period he was counted as filling a space in the original ISD. The program, funded to serve 18 children, had thus far filled 17 of 18 spaces available. One week later, another eligible family enrolled their child into the program, enabling the grantee to document that all 18 spaces were filled. However, because there were actually only 17 children on the classroom roster, the grantee accepted an additional eligible child two weeks later, bringing the class size up to the cap of 18. The grantee will receive funding for filling 18 spaces; however, all 19 children should be entered into the MSDS as participating in GSRP.

The child who moved was subsequently enrolled into GSRP within another ISD during the Spring Collection Reporting Period and was reported in MSDS, with the correct date of enrollment by that ISD. The child was appropriately counted in both ISDs.

Each child was reported on the GSRP Child and Staff Information Report. All children that withdraw from the program are reported as such.

Funding for unfilled spaces is recaptured through the State Aid Payment process.

Requesting and Awarding of the Transportation Allocation

Each year the ISDs will be asked to collect projected transportation budgets from subrecipients including community-based organizations (CBOs) seeking reimbursement for costs related to parent or guardian accompanied public transportation. A total transportation request will be forwarded to MDE from each ISD. If the total request from all ISDs is equal to or less than \$10,000,000, each ISD will receive the requested amount. If the total of the projected transportation budgets exceeds \$10,000,000, MDE will prorate the \$10,000,000. Transportation funds do not have to be distributed on a per FTE amount to subrecipients. The ISD may accept all or only a portion of the transportation allocation. If a per FTE calculation determines the total transportation allocation to an ISD, the ISD may distribute transportation funds as needed across subrecipients for those children served within the ISD. The ISD must create a process to gather pertinent information that will guide decision-making on prioritization of transportation funds.

Consider how collaborative child recruiting and public awareness activities, along with a dedicated transportation allocation, can support the goal to identify and serve children and families who may not otherwise be able to access the program. Other considerations include the number/location of GSRP subrecipients currently providing transportation, the number/residence of GSRP enrolled children receiving transportation, family need by programming option, how well existing transportation costs are met, and areas of unmet need for transportation services. The school readiness advisory committee is the appropriate venue for data-based decision-making on distribution of the transportation allocation.

ISDs will document use of the accepted transportation allocation for the ISD and/or subrecipients in the MEGS+ PIP.