



STATE OF MICHIGAN  
DEPARTMENT OF EDUCATION  
LANSING

GRETCHEN WHITMER  
GOVERNOR

MICHAEL F. RICE, Ph.D.  
STATE SUPERINTENDENT

**MEMORANDUM**

**DATE:** October 15, 2020

**TO:** Intermediate School District Superintendents  
Great Start Collaborative Directors

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

**SUBJECT:** FY21 Section 32p Allocations

A handwritten signature in black ink, appearing to read "S.M.K.", positioned to the right of the "FROM:" line.

The Michigan Department of Education (MDE), Office of Great Start (OGS)/Early Childhood Development and Family Education, is pleased to announce Section 32p allocations, which are based on the funding formula approved in August 2019 by the State Board of Education for equitable distribution of funds. Fiscal Year (FY) 2021 will continue to have only state School Aid funding, in the amount of \$10.9 million, incorporated into the funding allocations for the Great Start Collaboratives and Parent Coalitions (GSCs/GSPCs).

For FY2021, the minimum required base amounts for both the GSC/GSPC and early childhood programming will be updated. The minimum required amount budgeted for the GSC/GSPC will remain at \$120,000. This will allow each GSC/GSPC to continue to meet the requirements set in [statute](#), and the [criteria](#) requirements and account for increasing costs of continuing to employ consistent, high quality GSC directors and parent liaisons. The minimum amount budgeted for early childhood programming will remain at \$15,000. This will allow for local programming to continue, especially for children who are at highest risk, but also allow the Section 32p funding to meet the intended purposes and goals set forth in [statute](#) and the [criteria](#). Due to the increase in the minimum required base amount for the GSC/GSPC, some GSC/GSPCs may see a decrease in the overall allocation due to the manner in which the formula is executed after accounting for the required minimum base amounts.

Section 32p grant funds are to be used for strategies that support the local collaborative's Great Start strategic plan and must be designed to contribute to achieving the four early childhood outcomes:

- (1) Children born healthy.
- (2) Children healthy, thriving, and developmentally on track from birth to third grade.

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- (3) Children developmentally ready to succeed in school at the time of school entry.
- (4) Children prepared to succeed in fourth grade and beyond by reading proficiently by the end of third grade.

Through the GSCs/GSPCs and work groups, the local early childhood system also includes supports for children birth through age eight in the areas of:

- (1) physical health
- (2) social-emotional health
- (3) family supports and basic needs
- (4) parent education and child advocacy
- (5) early education and care

The section 32p grant funds are intended to support the core costs for implementation of the GSC/GSPC and provide for programs and services that will lead to better outcomes for children. GSCs/GSPCs are to develop a budget that uses funds efficiently and ensures that prenatal to age eight outcomes are achieved.

Once the required base costs are met, GSCs/GSPCs will determine the best use of their remaining fund by utilizing the local needs assessment/gap analyses that drove the development of the strategic plan as updated annually through the action agenda and at the same time addressing any constraints noted in the criteria. MDE/OGS reserves the right to disallow fund usage for expenditures for items deemed not be reasonable or cost effective.

In addition, [Section 32p subsection 6](#) changed in FY 2021 and introduced graduated caps on the amount of funding each GSC/GSPC can carry over into the next fiscal year. Starting with FY 2021, intermediate school districts (ISDs) or consortia of ISDs that receive section 32p grant funds will not be able to carry over more than 30 percent of the amount awarded. In FY 2022, the amount of funds allowable for carryover will be capped at 20 percent and in FY 2023, the amount of carryover funds will be capped at 15 percent. Funds that are unexpended at the end of the fiscal year in excess of the cap amounts will be recovered by MDE/OGS no later than September 30 of the following fiscal year, in a similar manner as unexpended carryover funds at the end of the allowable carryover period.

To locate an ISD's 2020-2021 section 32p grant allocation, please visit the MDE website and click on [FY21 Section 32p allocations list](#). OGS will send additional communications regarding the FY 2021 section 32p grants application, as well as additional guidance, once they are made available.

Questions regarding the section 32p grants application should be directed to Early Childhood Development and Family Education Director, Dr. Noel Kelty, [KeltyN@michigan.gov](mailto:KeltyN@michigan.gov) or 517-241-0162, or Great Start Programs Specialist Rachel Pritchard, [PritchardR@michigan.gov](mailto:PritchardR@michigan.gov) or 517-241-4766, within the Office of Great Start/Early Childhood Development and Family Education.