



State School Aid Section 61b CTE Early Middle College (EMC) and CTE Dual Enrollment Tool Kit

2022-2023 Edition

Michigan Department of Education
Office of Career and Technical Education

Mission: To prepare students so they have the necessary academic, technical, and work behavior skills to enter, compete, and advance in education and their careers.



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OVERVIEW

The Michigan Department of Education, Office of Career and Technical Education (MDE-OCTE) oversees the State School Aid Act of 1979, Section 388.1661b funding. Section 61b allocates funding from the State School Aid fund appropriation for the expansion of Career and Technical Education (CTE) Early Middle College (EMC) and CTE dual enrollment programs. The purpose of these programs is to increase the number of Michigan residents with high-quality degrees or credentials.

All state school aid funding and requirements are subject to change based on the annual passage of the State School Aid budget.

You may find the most current Section 61b legislation here:

<http://legislature.mi.gov/doc.aspx?mcl-388-1661b>

Tool Kit Objective

This Tool Kit is designed as a source of information and guidance for Career Education Planning District (CEPD) administrators and 61b Intermediate School District (ISD) fiscal agencies.

SECTION 61B COMPONENT DEFINITIONS

This section is to define formula funding, strategic plans, and planning grants. Additional guidance for each section will be provided later in the document.

FORMULA FUNDING

Section 61b legislation defines how the funding formula is calculated:

(a) The MDE-OCTE shall determine statewide average CTE costs per pupil for each Classification of Instructional Program (CIP) code by calculating statewide average costs for each CIP code for the three most recent fiscal years.

(b) The distribution to each eligible CTE EMC or CTE dual enrollment program is the product of 50% of CTE costs per pupil times the pupil enrollment of each eligible CTE EMC or CTE dual enrollment program in the immediately preceding school year.

If the allocation under Section 61b(1) is insufficient to fully fund payments as otherwise calculated under this section, the department shall prorate payments under this section on an equal percentage basis.

High school students enrolled in *eligible* CTE EMC and CTE dual enrollment programs will generate Section 61b funding.

Eligible means:

CTE EMC: Students reported in a course in the Career and Technical Education Information System (CTEIS), in a CTE EMC Program Serial Number (PSN), in a CIP code that is listed on the 61b Top 5 Career Cluster CIP Codes list and coded 3500 in the Michigan Student Data System (MSDS).

CTE Dual Enrollment: Students reported in a Regular CTE PSN in a course identified in CTEIS as a course type that provides dual enrollment or concurrent enrollment college credit on a college transcript, in a CIP code that is listed on the Section 61b Top 5 Career Cluster & Eligible CIP Code list. **Please Note: The college credits must be placed on the student's college transcript in the year in which the student earned them.**

STRATEGIC PLAN

The strategic plan requires that the 61b ISD fiscal agent collaborate with the career education advisory council (CEAC), in the workforce development board service delivery area, to develop one regional strategic plan that aligns CTE programs and services into an efficient and effective delivery system for high school students. The MDE-OCTE will align career education planning districts, workforce development board service delivery areas, and intermediate school districts for the purpose of creating one regional strategic plan for each workforce development board service delivery area.

One result of strategic planning is the career cluster ranking to determine CIP codes that are eligible to receive Section 61b formula funding. Specific details on the strategic plan can be found on page 9.

PLANNING GRANTS

From the Section 61b allocation is an amount set by the Legislature for *competitive* grants to intermediate school districts or consortia of intermediate school districts for the purpose of planning for *new* or *expanded* CTE EMC programs.

The grants can be used to develop and plan the opening of a new EMC as well as expanding a current EMC. Planning grant dollars can be used in the same manner as foundation allowance funding for planning, marketing, supplies, equipment, staff, etc. A group of reviewers, selected by the MDE-OCTE, will review and score the applications. Year-end reports on accomplished activities and expenditures will be due to the MDE-OCTE.

FORMULA FUNDING PROCESS AND FISCAL AGENTS

Fiscal Agent Eligibility-Section 61b(2) states:

“From the funds allocated under subsection (1), the department shall allocate an amount as determined under this subsection to each intermediate school district serving as a fiscal agent for state-approved CTE EMC and CTE dual enrollment programs in each of the career education planning districts identified by the department. An intermediate school district shall not use more than 5% of the funds allocated under this subsection for administrative costs for serving as the fiscal agent”.

Fiscal Agent Responsibilities

To be an eligible fiscal agent, an intermediate school district must agree to do all the following in a form and manner determined by the MDE–OCTE:

- (a) Distribute funds to eligible CTE EMC and CTE dual enrollment programs in a career education planning district.
- (b) Collaborate with the CEAC in the workforce development board service delivery area to develop one regional strategic plan that aligns CTE programs and services into an efficient and effective delivery system for high school students. The department will align career education planning districts, workforce development board service delivery areas, and intermediate school districts for the purpose of creating one regional strategic plan for each workforce development board service delivery area. Detailed requirements of the strategic plan can be found on page 9.
- (c) Implement a regional process to rank career clusters in the workforce development board service delivery. The process and forms for reporting the career cluster rank list for each region will be developed by MDE–OCTE.
- (d) Report CTE EMC and CTE dual enrollment program and student data as prescribed by the MDE and the Center for Educational Performance and Information (CEPI).

Fiscal Agent Reporting Requirements

To receive 61b funds, a CTE EMC or CTE dual enrollment program 61b fiscal agent shall furnish all information needed to administer the program, meet reporting requirements, allow the department or the department’s designee to review all records related to the program for which it receives funds, and shall reimburse the state for all disallowances found in the review, as determined by the MDE.

Local District Student Reporting Requirements in CTEIS and Teacher Student Data Link (TSDL)

All **CTE** high school courses that cover segments or competencies (other than Q or Z), should be reported in CTEIS for CTE EMC students.

For CTE EMC students, that have completed all high school segments or competencies in a CTE program and are enrolled in advanced studies/postsecondary occupational course(s) (represented by Segment Q or Competency Z), the district is only required to report **one** CTE EMC postsecondary occupational (non-Ged Ed) course in CTEIS per year to generate state categorical funding.

NOTE: All courses that are not reported in CTEIS (CTE and non-CTE), must be reported in the TSDL.

All CTE courses reported in CTEIS are transferred to CEPI to be included with the TSDL collection data. However, if a district chooses to report the CTE EMC student in both CTEIS and TSDL – then the student should be reported with a “subject area code” of “00” in TSDL.

It is recommended that districts enter enrollments in CTEIS as they occur – so that it is not such a reporting burden at the end of the year. If a student is reported in CTEIS as enrolled in a CTE program at any time during the year (even just for one semester or one trimester) – they will generate funding.

Can you have dual enrollment (DE) and a CTE EMC pathway in the same CIP Code?

Yes. However, students cannot switch between the **EMC** PSN and the **REG** (Dual Enrollment) PSN with the **same CIP Code** in the **same building**, during the year. CTEIS will prevent districts from reporting students in two **different** PSNs that have the **same** CIP Code, Fiscal Agency, Operating Agency, and Building.

If a student drops out of the CTE **EMC** program, to enroll in the **REG** program as a Dual Enrolled student, since the REG program has a different PSN than the EMC program – CTEIS treats these as two different programs, causing the student to generate 61b (and 61a1) funds for both the EMC and the REG PSNs—generating more funding than allowed. An edit check was added in CTEIS to prevent this situation from occurring, which forces districts to report the student in only **one** of these two PSNs for the entire year (the district must choose). The MDE-OCTE recommends that the district report the student (for the entire year), in the program in which they were enrolled at the end of the school year.

Fiscal Agent Payments

Intermediate school districts serving as the 61b fiscal agent will receive state aid payments, 1/11th of the 61b funds allocated, on the 20th of each month.

Allowable Expenditures

Section 61b funds shall only be expended in 61b eligible programs.

Districts may expend 61b funds on any item(s) associated with the 61b eligible programs for which the district would normally use foundation allowance.

A program receiving funding under section 61a1 may receive 61b funding for allowable costs that exceed the reimbursement the program received under section 61a1.

A 61b fiscal agent may use from 0% to 5% of the total 61b funds generated for program administrative costs; this does not include carry over funds.

What if a CIP Code is no longer ranked as a top five Career Cluster?

Once a student enrolls in a CTE EMC or CTE dual enrollment program that is eligible for 61b funds, that student continues to qualify for 61b funds (if they remain in that program) until graduation, even if the program’s career cluster is no longer ranked in the top five.

What if a program closes, has no enrollment, or is no longer offered at a district?

If the CTE Program Serial Number (PSN) that generated 61b funds closes, has no enrollment, or is not offered in the year that funds are received, the CEPD may expend the funds in another 61b eligible PSN within the *same operating agency*. If that operating agency does not offer any 61b eligible PSNs, the CEPD may expend the funds in any 61b eligible PSNs *within the CEPD*.

If a CEPD, has a new CTE EMC or CTE dual enrollment program operating in its first year, that will generate 61b funds in the next year, 61b funding may be spent on this program.

It is recommended that each ISD 61b fiscal agent develop consortia agreements to clearly define the process for distribution of 61b funds within the CEPD.

Carry Over of 61b Formula Funds

The MDE-OCTE does not recommend carry over of funds from one year to the next as it can imply lack of sound fiscal planning. However, there may be extenuating circumstances in which carry over is appropriate.

If carry over of 61b formula funds is necessary, the 61b ISD fiscal agent must submit a written notice to Joan Church, MDE-OCTE at churchj@michigan.gov, by the deadline set by the MDE-OCTE. See 61b Reporting Timeline on page 14. Please include the amount of 61b funds to be carried over, and the reason funds could not be expended. **If a written request is not received and approved by the department, any unspent funding will be recaptured.**

Carry over and administration funding:

The 61b ISD fiscal agent may take up to 5% for administration. Administration is figured on the amount of funding generated in CTEIS, based on the previous school year enrollment. The 61b ISD fiscal agent shall **not** collect 5% administration on carry over funding.

Carry over scenario for 61b fiscal agent formula funds:

A 61b ISD fiscal agent is allocated \$50,000 in 61b(1) formula funds to disperse in **2021-2022**. The 61b ISD fiscal agent reports \$45,000 in expenditures for **2021-2022**.

The 61b ISD fiscal agent sends a written request to MDE-OCTE to carry over the \$5,000 not spent in **2021-2022**, to spend in **2022-2023**. MDE approves the request.

In the fall of **2022-2023**, the 61b ISD fiscal agent is allocated \$50,000 to disperse in 61b funding.

The \$5,000 of carry over funding will be shown on a separate report in CTEIS for the **2021-2022** school year report.

Expenditures reported for the **2022-2023** year will be applied to the \$5,000 of **2021-2022** carry over funding first. Once the carry over funding is expended, expenditures will then apply to the current year report (**2022-2023**).

Carry Over and Fiscal Administration Example:

| School Year | Funds Generated by Region | Carry Over from Previous Year | Total Funding to Expend | Maximum Allowed Administrative Cost (up to 5% of funding generated). No admin on carry-over funds. | Amount Reported by fiscal agent as Expended by June 30 | MDE Approved Carry Over Amount |
|------------------|---------------------------|-------------------------------|-------------------------|--|--|--------------------------------|
| 2021-2022 | \$50,000 | \$0 | \$50,000 | $\$50,000 \times 5\% = \$2,500$ | \$45,000 which includes the \$2,500 of admin | \$5,000 |
| 2022-2023 | \$50,000 | \$5,000 | \$55,000 | $\$50,000 \times 5\% = \$2,500$ | \$55,000 which includes the \$2,500 of admin | \$0 |

STRATEGIC PLANNING PROCESS

Section 61b(4):

A regional strategic plan must be approved by the Career Education Advisory Council (CEAC) before submission to the MDE-OCTE.

A regional strategic plan must include, but is not limited to, the following:

(a) An identification of regional employer need, based on a ranking of all career clusters in the workforce development board (WDB) service delivery area ranked by 10-year projections of annual job openings and median wage for each standard occupational code in each career cluster as obtained from the United States Bureau of Labor Statistics. Standard occupational codes within high-ranking clusters also may be further ranked by median wage and annual job openings. The CEAC located in the WDB service delivery area shall review the rankings and modify them, if necessary, to accurately reflect employer demand for talent in the WDB service delivery area. A CEAC shall document that it has conducted this review and certify that it is accurate. **These career cluster rankings must be determined and updated once every four years.**

(b) An identification of educational entities in the WDB service delivery area that will provide eligible CTE EMC and CTE dual enrollment programs including local districts, intermediate school districts, postsecondary institutions, and noncredit occupational training programs leading to an industry-recognized credential.

(c) A strategy to inform parents and students of CTE EMC and CTE dual enrollment programs in the WDB service delivery area.

(d) Any other requirements as defined by the MDE-OCTE.

PLANNING GRANT PROCESS

Section 61b(8):

There is an allocated amount from the state school aid fund allocation for grants to intermediate school districts or consortia of intermediate school districts for the purpose of planning for new or expanded EMC programs.

ISDs are encouraged to work collaboratively within their Workforce Development Boards (WDB)-Career Education Advisory Council (CEAC) to complete the planning grant application. Programs must be in one of the most current top five career clusters as ranked in any strategic plan by one or more of the WDB service areas and approved by the CEAC.

To be eligible for a grant under this subsection, an ISD or consortia of intermediate school districts must provide matching funds equal to the grant received under this subsection.

The grants are competitive and will be reviewed by a committee. If there are more eligible applicants than funds available, funds will be awarded until exhausted. If funds remain, that are not requested by applicants, they will be added to the 61b formula.

An ISD or ISD consortium that has not received a planning grant in the past three years will receive an additional five points on the rating rubric.

The MDE-OCTE reserves the right to reject any and all proposals. Final activity outcomes and expenditure reports will be required.

The department shall make payments via state aid to the ISD listed on the application as the fiscal agent.

Allowable Expenditures:

Carry over of 61b Planning Grants will not be allowed. Any funding not expended by the due date set by the MDE-OCTE, will be recaptured.

Applicants must spend the grant award on the items and amounts that were approved as a part of their grant application.

CTE EMC PROGRAM APPLICATIONS AND PROGRAM SERIAL NUMBERS

If a building already has a state-approved CTE Program, but wants to add a CTE EMC program (with the same CIP Code) in the same building, is a new PSN required for the CTE EMC program?

Yes, all CTE EMC programs must have their own Program Serial Number (PSN). The district would need to submit a New Program Application to obtain approval of the CTE EMC program and receive a new PSN.

Directions to apply for a new CTE EMC PSN can be found in [New CTE Program Tool Kit](#).

CTEIS student reporting while the new program application is being reviewed by the MDE-OCTE:

- Districts must first obtain approval for their EMC, in which the CTE EMC program will be operated.
- An application for a new CTE EMC program can be submitted in the same year as the application for the EMC.
- CTE EMC student reporting in CTEIS is contingent upon MDE-OCTE approval of the EMC, and the year in which it opens.

Reporting for districts with an approved EMC that are applying for a CTE EMC PSN:

- Students who are expected to participate in a CTE EMC program must be coded 3500 in the Michigan Student Data System (MSDS).
- Once a CTE EMC program application is approved, a new PSN will be assigned to that program. Please report CTE EMC students, under the new PSN assigned to the CTE EMC program in CTEIS.
- If for some reason, the CTE EMC application is disapproved, please remove the 3500 code from MSDS, for all students in that program.

61B COURSE REPORTING GENERAL TIMELINE

Contingent on State School Aid budget

1. **Student Enrollment and Formula Expenditures are reported in CTEIS.**
2. **Section 61b Planning Grant applications and reports are submitted in the [CTE Portal](#).**

| Month | 1. Formula Funds – Joan Church | 2. Planning Grants – Stacey Stover |
|-----------|---|---|
| August | | 61b Planning Grants Due. |
| September | | September 30 - Deadline to expend funds for Section 61b previous year Planning Grants. |
| October | | October 30 - Final Activity Outcomes Report due for Section 61b Planning Grants. Section 61b Planning Grant Award Notices are sent to ISD fiscal agents. |
| November | November 3 – 4033 Expenditure Reports due to CEPD Administrators for review of Section 61b formula fund expenditures. November 10 – 4033 Expenditure Reports due to OCTE for Section 61b formula funds. (CTEIS.com) November 10 – Written notice requesting carry over of Section 61b formula funds due to OCTE (if applicable). | November 30 - Final <u>Expenditure</u> Reports due for Section 61b Planning Grants. |
| May | Deadline for reporting all CTE EMC and CTE Dual Enrolled students into course sections of CTEIS (to check against MSDS for correct UICs and 3500 coding). | EMC Planning Grant Application Released. |
| June | Go to CTEIS.com for year-end CTE EMC and CTE Dual enrollment entry deadlines. June 30 - Deadline to submit EMC 3500 Coding Appeal-11 th grade students only. June 30 - Deadline to expend funds for Section 61b formula funds. | |

61B EXPENDITURE AND STUDENT REPORTING INSTRUCTIONS IN CTEIS

For assistance on student and expenditure reporting instructions, please visit [CTEIS Support](#) or contact CTEIS at CTEIS.Help@PTDTechnology.com or 517-333-9363 ext. 128 or contact Joan Church at churchj@michigan.gov.

SECTION 61B ELIGIBLE CIP CODES

The most recent list of 61b eligible CIP codes may be found at [Section 61b Top 5 Career Clusters and Eligible CIP Codes](#).



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