Section 35m of the FY 2025 State School Aid Act provides $87,000,000 to the Michigan Department of Education (MDE) to create a Committee for Literacy Achievement (CLA) and allocate funding based on a rankings list of materials. The CLA will critically evaluate literacy series and materials, literacy professional development, and literacy tools or services. The CLA will also create and maintain a rankings list for all literacy items the Committee has evaluated. Once lists are established, districts will apply for funding based on the rankings list of literacy items.

Section 35m Frequently Asked Questions (FAQ) – Updated on 11/25/25

General Application Questions

How do we apply, and when is the application due?

The 35m district grant application will open in NexSys on June 2, 2025. Districts will be able to access the 35m grant application in their NexSys dashboard. There are two phases to the application process. Districts must choose "Apply Later", agree to the grant assurances, and select one literacy material or resource from one of the following lists:

- Early Literacy Tier 1 Literacy Materials and Series
- Early Literacy Intervention Materials and Series
- Professional Development

Once a list of eligible districts is compiled, allocations for each district will be determined. Eligible districts will be notified via NexSys and an email from MDE with explicit instructions on how to submit a budget for the entire allocation in NexSys for approval and the due date for this process.

The deadline to apply is July 11, 2025.

How does a district view the 35m application in its entirety?

To view the 35m application in its entirety, the district will need to initiate the NexSys application. The NexSys application will appear on the district's "My Opportunities" dashboard.

For information about the NexSys platform, please visit the NexSys website.

"Getting Started in NexSys" assistance"

Can an Intermediate School District (ISD) apply on behalf of a district?

No, ISDs can only apply on behalf of students they directly serve.

CLA Rankings Lists

Will districts have the option to pilot materials during the 2025–2026 school year (or part of the year)?

Yes. To pilot materials, districts **must make a selection at the time of the application**; however, districts considering piloting programs or those that would need additional time to make a final selection decision will be allowed to amend their NexSys application with their final selection any time before April 17, 2026. Amendments will only be approved within the same

category as the initial application and budget. Changes across categories (Tier 1, Intervention, and Professional Development) will not be eligible for an amendment.

Can districts choose a tool from each rankings list?

No, districts can only choose one tool from one list total; not one from each list.

When purchasing curriculum, can a district pay for the entire purchase (i.e. 3–6-year contract) with these grant funds?

Per the State of Michigan Procurement Policy Manual (MPPM) and local procurement policies, grant recipients cannot pay for goods and/or services that have not yet been provided; purchases cannot extend beyond the life of the grant; all goods and/or services must be in hand by September 30, 2026. The only caveat to this is if the full purchase price is paid up front and access to materials, goods and/or services are provided for free by the vendor beyond the closing date of the grant. Please note that vendor contracts are subject to local negotiation and policies and are not under the purview of MDE.

Which grade levels are the literacy materials and resources intended for?

The Tier 1 Literacy Series and Materials and the Intervention Materials lists are for Pre-K to 5 students. The Professional Development list is for Pre-K to 12 educators.

How were the literacy materials and resources on the CLA rankings lists chosen?

The CLA developed a Request for Submissions (RFS) process for vendors. Vendors had the opportunity to submit their literacy materials or resources for review and evaluation. The RFS was open from February 28, 2025, at 5 pm to March 14, 2025, at 11:59 pm.

To learn more about the criteria used by the CLA for review and evaluation, please see the RFS documents linked below:

- Tier 1 Literacy Series and Materials
- Intervention Materials
- Professional Development

Who is on the CLA?

The complete list of CLA members can be found on the Section 35m webpage.

Allowable Use of Funds

How can the funds be used?

Funds can only be used for items needed for implementation (licenses, instructional materials, consumables, manipulatives, vendor-provided coaching, and professional learning, printing services) for the approved curriculum that the district chose.

Can grant funds be used for literacy materials or resources purchased during the 24-25 school year?

If the literacy material or resource is funded per the 35m rankings lists and was purchased after October 1, 2024, Section 35m grant funds can be used to cover the cost of the selected literacy material or resource.

Can funds be used for literacy material or resources not on the 35m rankings lists?

No, 35m grant funds can only be used for literacy material or resources on one of the 35m rankings lists.

Can funds be used to purchase approved literacy materials from more than one list?

No, funds cannot be used to purchase items across rankings lists.

Can funds be used to purchase an additional approved literacy material or resource?

Yes, districts have 2 options for purchasing an additional approved literacy material or resource:

1. A district can use 35m grant funds to purchase additional materials for an already implemented literacy material or resource from the approved rankings list in the same category. The district can be approved to implement both the new literacy material or resource and the already implemented literacy material or resource if they upload to NexSys proof of purchase or a contract that shows that the literacy material or resource is already in use for the allowable grade levels. MDE wants to ensure that additional resources are being purchased for an established approved literacy material or resource.

2. Districts can choose to purchase an additional approved item from the same rankings list for the purpose of differentiating instruction across different grade levels (e.g., if a Tier 1 curriculum was selected to be used K-2, the district can choose to purchase another Tier 1 curriculum to be used grades 3-5). This additional item purchase must be clearly reflected in the budget submitted in NexSys for approval.

Can Tier 1 funds be used to purchase intervention components of the approved curriculum?

No, intervention components were not reviewed for the Tier 1 rankings list.

Can funds be used to purchase additional apps or AI assistants?

In most cases, no. Only items that were submitted for review by the vendor and approved by the CLA can be purchased.

Can funds be used to purchase assessments?

No, funds cannot be used to purchase assessments. Funds can only be used for the implementation of the selected approved item.

Can funds be used for staffing costs related to implementation?

No, funds cannot be used for staffing costs or stipends.

Can funds be used for costs related to purchasing furniture, bookshelves, etc.?

No, funds cannot be used to purchase furniture, bookshelves, etc., because this is capital outlay, which is unallowable.

Budget and Grant Awards

How much money will a district receive if approved for grant funding?

Section 35m is a formula grant that will include both a base allocation and a Pre-K to 12 per-pupil amount (based on fall 2024 certified count). The exact grant award amount will be determined after the application closes, and the formula is calculated based on the number of LEAs and the number of pupils enrolled in eligible districts. Funding allocations are illustrated in *Table 1: Section 35m Base Award and Per Pupil Funding Allocations* below.

The Section 35m formulas in Table 1 below are based on funded Early Literacy Tier 1 Materials, Early Literacy Intervention Materials, and Professional Development. Selecting from the Tier 1 Literacy Series and Materials list will result in the highest possible base award and per-pupil amount, followed by the Intervention Materials list, and then the Professional Development list. Leftover funds from all categories will only be applied to funded Tier 1 Materials Per Pupil Amounts.

This formula gives priority to Early Literacy Tier 1 Materials and shows the ***minimum amount*** of per-pupil funding that would be allocated if **all eligible LEAs** apply.

For example, based on this formula, districts selecting Early Literacy Tier 1 Materials from the funded list would all receive a $30,000 base award, and at least $44 per pupil.

In other words, funded Tier 1 Materials Per Pupil Amounts can only increase; all other funding amounts remain constant.

Once approved, LEAs will receive a per-pupil amount equal to their **total enrollment** to select their chosen Early Literacy Tier 1 materials for their PreK-5 students.

Table 1: Section 35m Base Award and Per Pupil Funding Allocations

Base Award **$26M = 30% of total allocation**	**Early Literacy Tier 1 Materials Highest Amount** **Base Award Funding Category**	**Early Literacy Interventions Middle Amount** **Base Award Funding Category (33% of Tier 1 Materials award)**	**Professional Development Lowest Amount** **Base Award Funding Category (5% of Tier 1 Materials award)**
•Districts select one category for which to apply •Base award aligned to each category •Equal amount per district	**$30,000***	**$10,000***	**$1500***

Per Pupil Funding **$61M = 70% of total allocation** **$61m ÷ 1.4M students**	**Funded**	**Not Funded**	**Funded** **30% of FUNDED Tier 1 Materials Amount**	**Not Funded**	**Funded** **5% of FUNDED Tier 1 Materials Amount**	**Not Funded**
TWO Categories: **•Funded** **•Not Funded**	**Minimum $44/per pupil**	**$0**	**$13/ per pupil**	**$0**	**$2/per pupil**	**$0**

How is funding distributed?

This is a formula grant that included both a base allocation and a Pre-K to 12 per-pupil amount (based on fall 2024 certified count). There were 561 districts that applied across the three lists:

- Tier 1: 368
- Interventions: 64
- Professional Development: 129

This resulted in the following allocations:

- Tier 1: $30,000 base allocation + $89.04 per pupil
- Interventions: $10,000 base allocation + $13 per pupil
- Professional Development: $1,500 base allocation + $2 per pupil

MDE has determined the per-pupil formula-based allocations for all districts and ISDs that submitted an initial application. Districts and ISDs were notified through NexSys and via email from the MDE-EarlyLiteracy@Michigan.gov mailbox that modifications are required. Modifications are required for all applications. This step is the entry point for districts and ISDs to create their budget in NexSys for approval.

MDE is allowing districts to submit their Section 35m budgets in NexSys on a rolling basis. Please see the timelines below.

Eligible LEAs will need to submit a budget and be approved in NexSys by one of the following dates to receive funds in the corresponding State Aid payment:

- Submit and approved by September 19th – October State Aid payment
- Submit and approved by October 17th – November State Aid payment
- Submit and approved by November 21st - December State Aid payment
- Submit and approved by December 19th – January State Aid payment
- Submit and approved by January 20th – February State Aid payment
- Submit and approved by February 20th – March State Aid payment
- Submit and approved by March 20th - April State Aid payment
- Submit and approved by April 17th - May State Aid payment

Please note all Section 35m funds must be expended or returned by September 30, 2026. Section 35m does not allow for carryover of grant funds.

Can a district submit a budget for less than their allocation?
After districts are notified of their grant award, they should make every effort to build their budget in NexSys based on the total allocation, however, can submit for less if needed.

Can a district amend their budget once submitted?

Districts can amend their budget line items as needed by reaching out to MDE-EarlyLiteracy@Michigan.gov to ask for their NexSys application to be reopened.

What are the grant expenditure dates?

The grant expenditure period for Section 35m grant funds is October 1, 2024 – September 30, 2026. There will be no carryover for this grant.

Does this grant have a reporting requirement?

Per 35m Section 6, as a condition of receiving funding, districts will provide MDE information on the early literacy series and other items used for the previous and current school years twice a year, on or before March 31 and August 1. This report will be submitted in GEMS.

Where can districts find Section 35m information and resources?

Please visit the Section 35m webpage for the latest information and resources. This webpage will be updated regularly.