

IDEA Equitable Services and Proportionate Share – What Are the Requirements?

September 2024

Michigan Department of Education Office of Special Education



Overview

- What Are Equitable Services?
- How Are Children Found?
- What Private Schools Are Included?
- What Child Counts Need to be Maintained?
- When Do I Count the Children?
- How Do I Count the Children?
- How Do I Communicate with Private Schools?
- What If Written Affirmation Is Not Received?
- How Much Am I Required to Spend?
- Does the Required Amount Ever Change?
- What Services Are Provided to Children?

Overview (Cont'd)

- What Are the ISD/Member District Responsibilities?
- What Funds Do I Spend?
- How Do I Spend the Funds?
- What Documentation Needs to be Maintained?
- How Long Do I Have to Spend the Funds?
- Can I Spend More Than the Required Amount?
- What If I Don't Anticipate Spending All the Funds?
- What Is Recoding?
- What Are the Key Take Aways?
- How Can I Learn More?
- Who Do I Contact?

What Are Equitable Services?

Equitable Services Defined

- Equitable services are special education and related services provided to parentally placed private school children with disabilities in accordance with the provisions of IDEA and its implementing regulations in [34 CFR §§ 300.130 through 300.144](#).
- Components of Equitable Services
 - Child Find
 - Timely and Meaningful Consultation with Private Schools
 - Fiscal (Proportionate Share)
 - Other Requirements

Equitable Services Defined (Cont'd)

- The ISD where private schools are located is responsible for locating, identifying, and evaluating all children with disabilities who are enrolled by their parents in private schools located in the ISD.
- Depending on the ISD's model, member districts within the ISD may assist the ISD with this responsibility.
- Public School Academies (PSAs) do not have geographical boundaries. Therefore, PSAs do not have equitable services responsibilities.

How Are Children Found?

Child Find – 34 CFR §300.131

- Child Find is Child Find
- Activities must be similar to activities performed for public school children.
- Each LEA must locate, identify, and evaluate all children with disabilities who are enrolled by their parents in private, including religious, elementary schools and secondary schools located in the school district served by the LEA.

What Private Schools Are Included?

Approved Nonpublic and Home Schools

- Only registered and approved nonpublic schools and home schools can be included in:
 - Proportionate share allocation calculation
 - Timely and meaningful consultation with the ISD/member district
 - Receiving equitable services
 - Charging the proportionate share allocation for equitable services provided

Approved Nonpublic and Home Schools (Cont'd)

- Approved Nonpublic School Listing
 - [Michigan Department of Education \(MDE\) Nonpublic and Home Schools Webpage](#)
 - Posted and updated on the webpage
- Approved Home Schools
 - E-mailed to ISD and district Superintendents
 - Not Available on the MDE Nonpublic and Home Schools Webpage
- Listings and related child counts can also be obtained by emailing NonPublicSchools@michigan.gov.

Parentally Placed Private School Children Attending Preschool

- Parentally placed private school children with disabilities in preschool are considered for equitable services if attending a private preschool program operated within and by a registered and approved private elementary school.

Stand-Alone Private Preschools or Private Childcare Centers

- Because stand-alone private preschools or private childcare centers do not meet the definition of an elementary school in Michigan, those programs are not included in the ISD's proportionate share child count.
- These settings are not excluded from the requirements of child find.

What Child Counts Need to be Maintained?

Record Keeping – 34 CFR §300.132(c)

Each ISD must maintain in its records, and provide to MDE:

- The number of children evaluated, including re-evaluations.
- The number of eligible children with disabilities.
- The number of children with disabilities receiving services in the private schools within the ISD's jurisdiction.

Record Keeping Example

- School Year: 2021-22
- Counts include registered and approved nonpublic schools and homeschools only

Student Name	Date of Child Evaluation 2021-2022	Has the Child Been Determined Eligible?	Is the Child Receiving Services?
John Smith	N/A (Evaluated 20-21)	Yes	Yes
Jane Smith	N/A (Evaluated 20-21)	Yes	No Services refused by nonpublic
John Doe	November 2021	Yes	Yes
Jane Doe	January 2022	Yes	No Services refused by nonpublic
Billy Jones	March 2022	Yes	Yes
Betsy Jones	May 2022	No	No

When Do I Count the Children?

Annual Count – 34 CFR §300.133(c)

Each ISD must:

- Determine the total number of children with disabilities within the ISD.
 - Public School Count ([Appendix B](#))
 - Private School Count ([34 CFR §300.133\(c\)](#))
- Ensure the count is conducted between Oct. 1 and Dec 1 of each year (Official Fall Count).
- Use the prior year count.
 - Example: Flowthrough 2022-23 (230450 grant) uses the Fall 2021 Count.
- Use the most recent final MDE Registered and Approved Nonpublic and Home School Listing.
 - Example: Compare final 2020-21 approved listings with Fall 2021 Private School Count to determine private school eligible children to include.

How Do I Count the Children?

Public School Count

The number of eligible children with disabilities in
public schools within the ISD

=

The number of eligible children with disabilities
within the ISD served through an IEP

Private School Count

The number of parentally placed eligible children with disabilities in private schools within the ISD

=

The number of **eligible** parentally placed children with disabilities in registered and approved nonpublic and home schools* within the ISD

*Based on most recent final MDE Registered and Approved Nonpublic and Home School Listing

Private School Count (Cont'd)

- Based on the total number of parentally placed private school children **determined eligible** to receive special education and related services, **not just those served.**
 - **The ISD's internal record keeping system is the most reliable source for child count information.**
 - Data sources for additional analysis
 - MDE Nonpublic and Home school Office*
 - Michigan School Data System (MSDS)*
- *These data sources may not be the most reliable sources for accurately determining this count.

Private School Count – IDEA Preschool (3-5)

- Includes children ages 3 through 5 attending a private preschool program operated within and by an approved private elementary school.
- Does not include stand-alone private preschools or private childcare centers.
- Count not exclusive to preschool children
 - Also includes 4 and 5-year-old children in kindergarten, including developmental kindergarten.

How Do I Communicate with Private Schools?

Consultation – 34 CFR §300.134

- To ensure timely and meaningful consultation, an LEA, or, if appropriate, a State Educational Agency (SEA), must consult with private school representatives and representatives of parents of parentally placed private school children with disabilities during the **design and development** of special education and related services for children.

Required Consultation Topics – 34 CFR §§300.134(a)- 300.134(e)

- Child Find
- Explanation of Proportionate Share Calculation
- Consultation Process
- Provision of Special Education and Related Services
- How, if the LEA disagrees with the views of the private school officials on the provision or types of services, the LEA will provide to the private school officials a written explanation of the reasons why the LEA chose not to adopt the recommendations of the private school officials.

Written Affirmation of Consultation – 34 CFR §300.135(a)

- When timely and meaningful consultation, as required by [34 CFR §300.134](#), has occurred, the LEA must obtain a written affirmation signed by the representatives of participating private schools.
- Written affirmation is obtained **after** consultation has occurred, not before.

What If Written Affirmation Is Not Received?

Written Affirmation of Consultation – 34 CFR §300.135(b)

- If written affirmation is not received, the ISD must note this and submit documentation to MDE Office of Special Education (OSE) with an explanation of attempts made to obtain written affirmation.

How Much Am I Required to Spend?

Expenditures – 34 CFR §300.133(a)

The LEA* where the private schools are located must expend:

- A proportionate share of the LEA's total subgrant under §611(f) of IDEA on services for parentally placed children aged 3-21 in accordance with a required formula; and
- A proportionate share of the LEA's total subgrant under §619(g) of IDEA for services for parentally placed children aged 3-5 in accordance with a required formula.

*Note: IDEA defines an Educational Service Agency as an LEA. Therefore, in Michigan, an Intermediate School District (ISD), Regional Educational Services Agency (RESA) or Educational Service District (ESD) is an LEA.

Proportionate Share Calculation Example – Flowthrough Grant (3-21)

- School Year: 2022-23
- Program Number (formerly Grant Number): 230450
- Count: Official Fall 2021 Count
- Registered and Approved Nonpublic and Home School Listing: 2020-21 Final (Released July 2021)

Description	Counts/Calculation
Number of eligible children (3-21) with disabilities within the ISD served through an IEP.	475
Number of parentally placed children (3-21) with disabilities determined eligible in registered and approved private elementary and secondary schools within the ISD	25
Total number of eligible children (3-21) with disabilities	500
Total IDEA Flowthrough (Section 611) funds allocated to the ISD	\$1,000,000
Average allocation per eligible child (3-21) with disabilities	\$2,000 (\$1,000,000/500)
Number of parentally placed children (3-21) with disabilities determined eligible in registered and approved private elementary and secondary schools within the ISD	25
IDEA Flowthrough Proportionate Share Requirement	\$50,000 (\$2,000 x 25)

Proportionate Share Calculation Example – Preschool Grant (3-5)

- School Year: 2022-23
- Program Number (formerly Grant Number): 230460
- Count: Official Fall 2021 Count
- Registered and Approved Nonpublic and Home School Listing: 2020-21 Final (Released July 2021)

Description	Counts/Calculation
Number of eligible children (3-5) with disabilities within the ISD served through an IEP.	95
Number of parentally placed children (3-5) with disabilities determined eligible in registered and approved private elementary schools within the ISD	5
Total number of eligible children (3-5) with disabilities	100
Total IDEA Preschool (Section 619) funds allocated to the ISD	\$50,000
Average allocation per eligible child (3-5) with disabilities	\$500 (\$50,000/100)
Number of parentally placed children (3-5) with disabilities determined eligible in registered and approved private elementary schools within the ISD	5
IDEA Preschool Proportionate Share Requirement	\$2,500 (\$500 x 5)

Does the Required Amount Ever Change?

Proportionate Share Allocation Calculation Adjustments

- Allocation does not get updated to current year count numbers.

What Services Are Provided To Children?

Equitable Services Determined – 34 CFR §300.137

- Parentally placed private school children with disabilities do not have a right to a FAPE.
- ISD/member district makes final decision on special education and related services to be provided.
- Each child has a nonpublic services plan describing the special education and/or services to be provided.
 - Not an IEP

What Are the ISD/Member District Responsibilities?

ISD Oversight Responsibilities

- Regardless of the implementation model used by ISDs to provide equitable services to parentally placed private school children with disabilities, compliance is determined at the ISD level since the ISD is the subrecipient of IDEA funds.
- The ISD must be able to provide evidence member districts are compliant with the equitable services requirements.

Member District Compliance Responsibilities

- Member districts implementing the equitable services requirements outlined in [34 CFR §§ 300.130 through 300.144](#), including child find, consultation, and other requirements must be compliant with these regulations.

Member District Expenditure Scenarios

- Scenario A
 - Proportionate Share Allocated to Member Districts through IDEA Flowthrough/Preschool Applications.
- Scenario B
 - Proportionate Share Funds Managed at the ISD
 - ISD Management of Proportionate Share Funds- October 2023

Member District Expenditure Scenario Example

Scenario A: Proportionate Share Funds Allocated to Member Districts

Proportionate Share funds allocated to member districts in IDEA Flowthrough/Preschool Applications.

Member districts provide services and charge expenditures to federal funds. Member districts request funds through the ISD, either IDEA Preschool (3-5) or IDEA Flowthrough (3-21).

Member districts spending less/more than proportionate share funds allocated requires ISD application amendment(s) in NexSys.

Member districts must track additional expenditures beyond allocated amount in the event proportionate share requirement is not met in the aggregate and reallocation is needed. Close ISD/member district communication is essential to avoid supplanting.

Scenario B: Proportionate Share Funds Managed at ISD

Proportionate Share funds maintained and budgeted in NexSys at ISD level only. ISD determines amount anticipated to be spent by each member district.

Member districts provide services and charge expenditures to local funds. Member districts request reimbursement, either IDEA Preschool (3-5) or IDEA Flowthrough (3-21) from the ISD's proportionate share allocation.

ISD implements internal tracking process for monitoring member district proportionate share spending with actual and anticipated amounts. No application amendments in NexSys for spending changes between districts.

ISD determines which grant member district proportionate share reimbursement requests will be reimbursed from (carryover/new grant funds).

Fiscal Responsibilities of ISDs

- Calculate proportionate share amount for §611 (Flowthrough) and §619 (Preschool) separately.
- Budget in NexSys the amounts the ISD and/or member districts will spend using function code 371 for §611 (Flowthrough) and §619 (Preschool) separately.
- Upload calculation into NexSys application.
- Determine how fiscal requirement will be met in coordination with member districts.
- Ensure the proportionate share requirement is met in the aggregate.
- Ensure carryover grant funds are spent before new year grant funds.
- Ensure supplanting has not occurred.

Additional Responsibilities of ISDs and Member Districts

- Ensure costs charged are actual, not budget estimates.
- Ensure documentation supports charges to the grant.
- Charge the grant for allowable expenditures before using other funds.
- Charge the grant on a regular basis.
- Identify service providers and ensure sufficient supporting documentation is maintained.
- Other Responsibilities:
 - Child Find
 - Timely and Meaningful Consultation
 - Data Collection

What Funds Do I Spend?

Supplement Not Supplant – 34 CFR §300.133(d)

- Local funds may supplement and, in no case, supplant the proportionate amount of federal funds required to be expended for parentally placed private school children with disabilities under this part.

Reminder: All federal funds must be expended by the end of the grant period. ISDs/member districts may need to reallocate expenditures to the federal funds in the event local funds are used simultaneously.

Federal and State Requirements

Equitable Services provided using proportionate share funds must follow the federal requirements under IDEA.

- [34 CFR §§300.130-300.144](#)

Auxiliary services provided using non-federal funds may follow the Auxiliary Services Act

- Michigan Administrative Code [R 340.291-340.295](#)
- The Revised School Code Section [380.1296](#)

How Do I Spend The Funds?

Allowable Expenditures

- Special education instructional services (34 CFR §300.142)
- Related services (34 CFR §300.34)
- Transportation (34 CFR §300.139)
 - Must be necessary for children to access equitable services.
- Direct service documentation and preparation time
- Nonpublic Services Plan meeting for an individual child
- Mileage and travel time
- Fringe benefits (2 CFR §200.431)
 - (paid holidays, sick leave, etc)

Allowable Expenditures (Cont'd)

Indirect Services (Q&A Question D-6)

- Consultative Services
- Supplies and Equipment (34 CFR §300.144)
 - Must remain property of the ISD/member district.
 - Must be reasonable and related to providing equitable services to parentally placed private school children with disabilities.
 - MDE prior approval is required for capital outlay.
- Professional Development/Training
 - Cannot be a prorated amount of overall professional development expenditures.
 - Must be reasonable and related to providing equitable services to parentally placed private school children with disabilities.
 - Can include training for private school teachers and other private school personnel.

Unallowable Expenditure Examples

- Child find activities
- Evaluations and re-evaluations
- Determination of eligibility
- Timely and meaningful consultation meeting with nonpublic schools and home schools
- Administrative costs
- Direct payments to a private school
- Repairs, minor remodeling, or construction of private school facilities
- ISD/member district expenditures generated from indirect cost rate

What Documentation Needs to be Maintained?

Fiscal Supporting Documentation

Supporting documentation must:

- Be transparent.
 - Personnel Activity Reports (PARS) are typically not sufficient.
- Clearly show how time charged is related to providing equitable services to parentally placed private school children with disabilities during the 27-month period of availability.
- Clearly identify time related to providing equitable services to parentally placed private school children with disabilities ages 3 to 5.

Reconciliation of Expenditures

- ISD/Member Districts must be able to reconcile:
 - Provider documentation/service logs.
 - Actual expenditures charged to the proportionate share requirement.
- Final expenditures cannot be based on budget estimates.
 - If budgeted estimates are utilized, expenditures must be reconciled based on actual time spent.

Forecasting and Monitoring Expenditures

- Monitor throughout the year for:
 - Charging expiring grant first
 - Local fund expenditures
 - Allowability
 - Anticipation of meeting requirement or not in the aggregate

Draft Fringe Benefit Allocation Calculation Example Template

- May be used and modified as needed.
- Not considered the only approach to calculating a proportionate amount of fringe benefits, including paid leave time.
- Contact Nicole Licht at LichtN@michigan.gov if interested in receiving a copy.

Draft Fringe Benefit Allocation Calculation Example Template Visual

Fiscal Year		2021-2022		Total Days per Staff Contract		185															
Staff Name		Jane Smith		Hours Per Day		7															
Position		Speech Therapist		Total Hours per Staff Contract		1,295															
Allocation Summary (Allocable and Non Allocable Time)																					
Description of Time	Funding Source	July	August	September	October	November	December	January	February	March	April	May	June	Total Hours (Before Allocation of Paid Time Fringe Benefit Hours)	Total Days Informational Only	Percentage of Time	Paid Time Fringe Benefit Hours Proration	Total Hours (Paid Time Fringe Benefit Hours Prorated)	Allocable Time Expenditures	Paid Time Fringe Benefit Expenditures	Total Expenditures
Hours spent providing equitable services to parentally placed private school children with disabilities in registered and approved nonpublic schools/home schools (Ages 3-5)	IDEA Preschool 220460 IDEA Preschool ARP 221285	0	0	2.75	2.5	3.5	3	1.5	4.5	3	2.5	1.25	5.5	30.00	4.29	2.32%	4.41	34.41	\$ 2,774.13	\$ 407.89	\$ 3,182.02
Hours spent providing equitable services to parentally placed private school children with disabilities in registered and approved nonpublic schools/home schools (Ages 3-21)	IDEA Flowthrough 220450 IDEA Flowthrough ARP 221280	0	0	15.75	10.5	15.75	10.25	12.5	10.25	21.5	22.5	22.25	5.5	146.75	20.96	11.33%	21.58	168.33	\$ 13,570.13	\$ 1,995.25	\$ 15,565.38
Hours spent serving public school children <i>Hours Automatically Calculated At End of Fiscal Year</i>	Other	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	952.25	136.04	73.53%	140.01	1,092.26	\$ 88,055.55	\$ 12,947.05	\$ 101,002.60
Paid Time Fringe Benefit Hours <i>Automatically included from Paid Time Fringe Benefit Summary Below</i>	To be allocated based on time spent	0	0	9	0	14	77	8.5	28	14	14	1.5	0	166.00	23.71	12.82%					
Total Hours														1,295.00	185.00	100.00%	166.00	1,295.00			
Hours Variance (Should be 0)														-	-		-	-			
Total Expenditures																			\$ 104,399.81	\$ 15,350.19	\$ 119,750.00
Expenditures Variance (Should be 0)																					
Paid Time Fringe Benefit Summary (Hours)																					
Paid Time Fringe Benefit Description	July	August	September	October	November	December	January	February	March	April	May	June	Total Paid Time Fringe Benefit Hours	Total Days Informational Only							
Paid Personal Time (Hours)			7										7.00	1.00							
Paid Vacation Time (Hours)					7				7				14.00	2.00							
Paid Holidays (Hours)						70							70.00	10.00							
Paid Sick Leave (Hours)			2		7		1.5		7	14	1.5		33.00	4.71							
Paid Snow Days (Hours)						7	7	28					42.00	6.00							
Total Non Allocable Time	0	0	9	0	14	77	8.5	28	14	14	1.5	0	166.00	23.71							
Payroll Summary																					
Payroll Expense Description	Object Code	Total FYTD Expenditures	Amount Per Hour	Amount Allocated to IDEA Preschool	Amount Allocated to IDEA Flowthrough	Amount Allocated to Other	Variance														
Salary	1280	\$ 65,000.00	\$ 50.19	\$ 1,727.19	\$ 8,448.85	\$ 54,823.96	\$ -														
Life Insurance	2110	500.00	0.39	\$ 13.29	\$ 64.99	\$ 421.72	\$ -														
Disability Insurance	2120	500.00	0.39	\$ 13.29	\$ 64.99	\$ 421.72	\$ -														
Health Insurance	2130	25,000.00	19.31	\$ 664.30	\$ 3,249.56	\$ 21,086.14	\$ -														
Dental Insurance	2140	2,500.00	1.93	\$ 66.43	\$ 324.96	\$ 2,108.61	\$ -														
Vision Insurance	2150	1,000.00	0.77	\$ 26.57	\$ 129.98	\$ 843.45	\$ -														
Retirement	2820	20,000.00	15.44	\$ 531.44	\$ 2,599.65	\$ 16,868.91	\$ -														
Employer Social Security	2830	5,000.00	3.86	\$ 132.86	\$ 649.91	\$ 4,217.23	\$ -														
Workers Compensation	2840	250.00	0.19	\$ 6.64	\$ 32.50	\$ 210.86	\$ -														
Total		\$ 119,750.00	\$ 92.47	\$ 3,182.02	\$ 15,565.38	\$ 101,002.60	\$ -														

Draft Parentally Placed Private School Service Log Template

- May be used and modified as needed.
- Not considered the only approach to tracking time related to providing services to parentally placed private school children with disabilities.
- Contact Nicole Licht at LichtN@michigan.gov if interested in receiving a copy.

Draft Parentally Placed Private School Service Log Template Visual

Staff Name:	Jane Smith					District:	Apple Valley School District	
Month:	September					Fiscal Year:	2023-24	
Child Name	IDEA Preschool (Ages 3-5)	Date of Service	Service Time (Minutes)	Documentation/ Planning Time (Minutes)	Travel Time (Minutes)	Location of Service (Drop Down)	Service Type	Detailed Service Notes
Example: Jane Doe	X	9/15/2022	10	15	40	Sunshine School	Articulation	Worked on R sounds per Service Plan goal
Jane Doe	X	9/19/2023	30	15	10	Sunshine School	Articulation	Worked on R sounds per Nonpublic Services Plan goal
Sally Smith		9/19/2023	30	15	0	Sunshine School	Articulation	Worked on S sounds per Nonpublic Services Plan goal
John Doe	X	9/19/2023	30	15	20	ABC School	Articulation	Worked on T sounds per Nonpublic Services Plan goal
Jane Doe	X	9/26/2023	30	15	10	Sunshine School	Articulation	Worked on R sounds per Nonpublic Services Plan goal
Sally Smith		9/26/2023	30	15	0	Sunshine School	Articulation	Worked on S sounds per Nonpublic Services Plan goal
John Doe	X	9/26/2023	30	15	20	ABC School	Articulation	Worked on T sounds per Nonpublic Services Plan goal
Total Service Time (Hours)			3.00					
Total Documentation/ Planning Time (Hours)			1.50					
Total Travel Time (Hours)			1.00					
Grand Total (Hours)			5.50					
Staff Signature							Date	
Supervisor Signature							Date	
Note: For purposes of this document, all children ages 3-5 should be identified as Preschool in Column B (IDEA Preschool).								
For Business Office Use Only								
		IDEA Preschool Grant (Ages 3-5)	IDEA Flowthrough Grant (Ages 3-21)					
		Hours	Hours		Total	Variance		
Service Time		2.00	1.00		3.00	0.00		
Documentation/ Planning Time		1.00	0.50		1.50	0.00		
Travel Time		1.00	0.00		1.00	0.00		
Total		4.00	1.50		5.50	0.00		

How Long Do I Have to Spend the Funds?

Expenditure Period

27-Month Period of Availability

- 15-month Initial
 - E.g., July 2021-September 2022
- 12-month Carryover
 - E.g., October 2022-September 2023

Reminder: All carryover funds must be expended by the end of the grant period. ISD/member districts may need to reallocate funds to the carryover grant if new grant funds are simultaneously utilized.

Can I Spend More Than the Required Amount?

ISD Determinations

Additional proportionate share funds can be spent if:

- ISD has a meets requirements determination result.

The required proportionate share amount can only be charged if:

- ISD has a needs assistance, needs intervention, or needs substantial intervention determination result.

[Letter to Apostle \(OSEP 2012\)](#)

What If I Don't Anticipate Spending All the Funds?

What Happens If an ISD Does Not Fully Spend the Proportionate Share Allocation?

- **Option 1:** Request a proportionate share recoding review with MDE OSE.
- **Option 2:** Return unspent funds to the United States Department of Education (ED).
 - Unexpended funds on the Final Expenditure Report must be at least the amount of unspent proportionate share funds.
 - ISD will need to explain why funds are being returned.

What Is Recoding?

What is Proportionate Share Recoding?

- If an LEA is unable to spend the entire proportionate share allocation on equitable services for parentally placed private school children with disabilities by the end of the 27-month grant period, the ISD may recode the unspent portion to be used to pay for other allowable IDEA Part B expenditures for the same period of availability.
- Prior to making any accounting adjustments, MDE OSE approval to recode is **required**.

History

- OSEP Policy Letter: [June 1, 2010 to Michigan Department of Education Office of Special Education and Early Intervention Services official John Andrejack](#)
- OSEP Guidance: [February 2022 Q&A on Serving Children with Disabilities Placed by Their Parents in Private Schools](#)
 - Question O-6

February 2022 Q&A Question O-6

- If an LEA does not expend its entire proportionate share of IDEA Part B funds on children with disabilities placed by their parents in private schools by the end of the carry-over period, may the LEA return the unexpended funds to the SEA to be spent by the SEA or reallocated to another LEA?

February 2022 Q&A Question O-6 Answer

- No. If, after the carry-over period, the LEA is unable to expend the entire proportionate share and assuming the LEA is in compliance with the child find, consultation, and other requirements related to parentally placed private school children with disabilities in 34 C.F.R. §§ 300.129 through 300.144, the LEA may use the unexpended funds—at the end of the period during which the funds may be spent on parentally-placed private school children—to pay for other allowable IDEA Part B expenditures for that same LEA. This situation should be the exception. We emphasize that it is the clear intent of the Act that LEAs spend these funds on providing special education and related services to parentally placed private school children with disabilities, as provided in 34 C.F.R. §§ 300.129 through 300.144. Therefore, if the LEA is not in compliance with these requirements and has not expended the funds on parentally placed private school children, the LEA must return the funds to the Department.

February 2022 Q&A Question O-6 Answer (Cont'd)

- The SEA is responsible for ensuring that LEAs comply with these requirements. See 34 C.F.R. §§ 300.149(a) and 300.600(b)(2). If an LEA has not expended the proportionate share by the end of the carry-over period, the SEA can monitor the LEA to ensure that it is meeting these requirements, including the requirement in 34 C.F.R. § 300.135 that the LEA obtain written affirmation signed by representatives of participating private schools that timely and meaningful consultation has occurred. In any event, there is no authority that permits the LEA to return the funds to the SEA to be spent by the SEA or reallocated to another LEA.

Recoding Review Process

- ISD submits request to recode to MDE OSE by the last business day in May of the carryover period.
- ISD submits required information and documentation.
- If recoding is approved:
 - ISD receives preliminary approval to recode.
 - ISD submits report with final expenditures after the period of availability has expired.
 - ISD receives final approval to recode.

Primary Components of a Recoding Review

- Child Find
- Timely and Meaningful Consultation
- Fiscal

What Are the Key Take Aways?

Key Take Aways

- What Private Schools Are Considered?
- What Parentally Placed Children Are Being Served?
- What Counts Are Used in the Allocation Calculation?
- How Is the Allocation Calculated?
- Spend Federal Funds Before Local Funds.
- Spend Expiring Federal Funds Before New Federal Funds.
- Maintain Transparent Documentation.
- Recoding Conditions (Programmatic & Fiscal).
- Focus on Students First.

How Can I Learn More?

Resources

MDE Guidance:

- [IDEA Equitable Services at a Glance-October 2023](#)
- [ISD Management of Proportionate Share Funds-October 2023](#)
- [MDE Proportionate Share Webpage](#)

OSEP Guidance:

- [February 2022 Q&A on Serving Children with Disabilities Placed by Their Parents in Private Schools](#)

Who Do I Contact?

Contact Information

- For questions related to the IDEA Flowthrough application:
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Definitions

- **Free Appropriate Public Education (FAPE):** Special education and related services provided by the public school system as described in a child's individualized education plan (IEP) and at no cost to parents.
- **Individuals with Disabilities Education Act (IDEA):** A federal law which makes available a FAPE in the least restrictive environment to eligible children with disabilities and ensures special education and related services to those children throughout the United States.
- **Local Education Agency (LEA):** IDEA defines an Educational Service Agency as an LEA. Therefore, in Michigan, an Intermediate School District (ISD), Regional Educational Services Agency (RESA) or Educational Service District (ESD) is an LEA for purposes of the equitable services requirements.

Definitions (Cont'd)

- **Parentally placed private school children:** Children placed in non-profit, private elementary and secondary schools by their parents (parent choice). These include nonpublic and home schools.
- **Nonpublic Services Plan (NPSP):** Parentally placed private school children do not have a right to a FAPE and do not have an IEP. Services may be provided through a nonpublic services plan.