



Facility Settlement Cost Report Overview

**Michigan Department of Education Office of Special Education
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The Facility Settlement Cost Report can be found in the Community Health Automated Medicaid Processing System ([CHAMPS](#)) platform. The CHAMPS system is where you will calculate your intermediate school district's (ISD) annual medical reimbursement settlement by reporting direct service (DS) staff Medicaid reimbursable expenditures via the CHAMPS Facility Settlement Medical Staff Worksheet.

The annual Facility Settlement Cost Report training can be found in the [Public Consulting Group \(PCG\) claiming system](#).

Local Educational Agency (LEA) Cost Report

Allowable costs are the non-federal portion of DS staff accrued salaries, benefits, purchased services, and other expenditures.

For help identifying the staff with Medicaid reimbursable expenditures, please reference *Public Consulting Group's (PCG) Annual Staff Pool List Summary*. The summary report is the tool you will use to:

- Calculate LEA COST REPORT Full-Time Equivalent (FTEs).
- Identify the staff with LEA COST REPORT allowed expenditures.
- Identify the quarters in which DS staff expenditures are considered reimbursable.

DS Staff (Employees/Purchased Services) FTE Calculation

The DS staff FTE calculation is based on the number of quarters staff are reported on the DS pool and the number of quarters staff work in the district. Refer to DS staff pool list (SPL) and payroll reports to calculate DS staff FTEs.

The steps for calculating DS staff FTE are as follows:

Step 1: Begin by crediting staff .25 FTE for each quarter they are reported on the direct services pool.

- Exclude July-August only staff with no actual Fiscal Year End (FYE) accrued costs from FTE count.
- Credit August-September pool staff .125 FTE.

Step 2: Calculate this total by identifying the number of quarters on pool and number of quarters worked (**total quarters on pool/total number of quarters worked**).

Step 3: Calculate LEA COST REPORT FTE by multiplying the Step 1 and Step 2 totals (**Step 1 X Step 2 FTE**).

DS (Employee) Staff Expenditures

1. Pull details for salaries and benefits from payroll/finance data and match to annual SPL.
2. Apply DS SPL time percentage to payroll and/or finance data.
3. Report expenditures with LEA COST REPORT allowable function and object codes.

DS (Purchased Services) Expenditures

1. Pull detail download for purchased services staff costs and print a General Ledger (G/L) Summary.
2. Include G/L accounts for all employees listed and a total.
3. Report expenditures with LEA COST REPORT allowable function and object codes.

DS Staff (Employee/Purchased Services) Other Expenditures

1. Pull amounts recorded for other (such as dues and fees) when costs are:
2. Medically related.
3. Associated with DS pool employees.
4. Report expenditures with LEA COST REPORT allowable function and object codes.

More Medical Allowable Expenditures Information

To learn more about medical allowable expenditures, perform the following steps in your CHAMPS system:

1. Log on to CHAMPS Facility Settlement.

2. Select the **Facility Settlement** tab.
The system displays the Facility Settlement Menu drop down.
3. Under the **My Activities** tab, select the **Prepare Cost Report**.
The system displays the Cost Report List screen.
4. Select **Execute** for the desired worksheet record.
The system displays the Cost Report Worksheets screen.
5. Select the desired worksheet.
The system displays the Cost Report Worksheet Detail screen with details pertaining to the selected worksheet.
6. Select the **Worksheet Information** button.
The system displays the School Based Services (SBS) Cost Report Worksheet screen with information pertinent to the selected worksheet.

Unallowable DS Staff Expenditures

- Expenditures paid with federal funds.
- Expenditures reported for unallowable function and object codes.
- Expenditures for agency fees.
- Expenditures **NOT** reported on the **SE-4096 (except C4S expenditures)**. You will be required to attach supporting payroll and general ledger invoices for non SE-4096 costs.
- Unallowable SE-4096 expenditures, i.e., supplies and materials (column 7) and cost center 122 expenditures.

Special Education Actual Cost Report (SE-4096)

The Michigan Department of Education (MDE) website includes resources and information for the [Special Education Actual Cost Report \(SE-4096\)](#).

If your SE- 4094 (transportation) or SE-4096 are amended after you file your cost report, you may need to amend your cost report in CHAMPS.