Section 24 Criteria for Educating Students on the Grounds of Juvenile Detention Facilities and Child Caring Institutions

Michigan Department of Education

Office of Special Education

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Section 24 Criteria for Educating Students on the Grounds of Juvenile Detention Facilities and Child Caring Institutions

Purpose

As stated in Section 388.1624 of the State School Aid Act, from the state school aid fund money appropriated in section 11, funds are allocated for payments to the educating district or Intermediate School District (ISD) for educating pupils assigned by a court or the Michigan Department of Health and Human Services (MDHHS) to reside in or to attend a juvenile detention facility or child caring institution licensed by MDHHS and approved by the department to provide an on-grounds education program.

The department shall determine the amount awarded under this section by approving an amount equal to the lesser of the district's or ISD's added cost or the department's approved per-pupil allocation.

Special Education Program Requirements

As stated in MARSE R. 340.1757, all of the following provisions are specific requirements for educational services conducted for students placed in juvenile detention facilities:

- Programs shall be initiated within 5 calendar days after admission. If a student placed in a juvenile detention facility is suspected of having a disability, then the procedure outlined in part 2 of the MARSE rules shall be immediately followed.
- Notification of educational placement shall be sent to the superintendent of the district of residence within 5 school days after the date of entry of a student into the educational services in a juvenile detention facility.
- Subject to applicable federal privacy protections, education reports for each student educated in a juvenile detention facility shall be sent by certified mail to the superintendent of the district of residence within 5 school days from the date of release from the facility.
- Special education reimbursed personnel may provide educational services for students who do not have disabilities and who are placed in the facility, if the programs comply with both of the following provisions:
    - They are under the supervision of a teacher approved in the area of emotional impairment.
    - They have no more than 10 students in a class at any one time.

Michigan Department of Education (MDE) may do periodic reviews to ensure the educational services continue to meet these requirements.

Court Ordered Community Based Day Program Eligibility

If educating students in a court ordered community based day program, the educational services must be located at the juvenile detention facility or child caring institution licensed by MDHHS for districts to receive funding under Section 24.

District Application Process

The educational services implemented by an ISD or member district on the grounds of a juvenile detention facility and/or child caring institution must be approved by MDE to receive funding under Section 24 of the State School Aid Act.

To be considered for Section 24 funding, the ISD or member district implementing the educational services must submit a separate completed District Application for Approval of Section 24 Educating Students on the Grounds of Juvenile Detention Facilities and Child Caring Institutions to MDE for approval for each district program.

- A change in the juvenile detention facility or child caring institution, or the educational services the ISD/member district provides requires a new application to be submitted. Examples include but are not limited to:
  - The facility expands services and now has a court ordered community based day program
  - A change in licensure
- MDE may contact the ISD/member district to arrange an on-site visit to review the educational services for approval.

Reimbursement Calculation Methodology

ISDs/member districts will use these criteria to determine eligible costs to be reported on the Section 24 Actual Cost Report for Public School Districts Approved to Operate Programs on the Grounds of Child Caring Institution (SE-4824). Districts must complete and submit a SE-4824 to be eligible for Section 24 state aid reimbursement. **The SE-4824 is due annually by the last business day in September and includes both a district and ISD certification.**

From the approved costs on the SE-4824, MDE will deduct all other revenue received under the State School Aid Act to determine added costs eligible for reimbursement under Section 24. Other revenue includes but is not limited to:

- General education foundation allowance for Section 24 full time equivalent (FTE) for general education pupils.
- Special education foundation allowance for Section 24 FTE for special education Section 52 pupils.
- Reimbursement for special education Section 52 costs reported on the SE-4824 and also reported on the Special Education Actual Cost Report (SE-4096).
    - These costs are reported on the Function 122-Section 24 line on the SE-4096 and reimbursed through Section 51a(2)/Section 51c.
- Reimbursement for special education Section 53a costs reported on the SE-4824 and also reported on the SE-4096.
    - These costs are reported on the Function 122-Section 24 line on the SE-4096 and reimbursed through Section 53a(5).
    - Special education section 53a costs reported on the SE-4824 are not funded under Section 24.
    - Section 53a funding is limited to Section 53a special education pupils verified by MDE OSE through the pupil count verification process.

As stated in Section 388.1624(2)(b) of the State School Aid Act, MDE's approved per pupil allocation will be calculated by taking the total blended Section 24 FTE upon which pupil membership is paid for the fiscal year for all districts with approved costs, and dividing the total into the Section 24 appropriated amount.

Depending on the total amount of district approved costs eligible to be reimbursed under Section 24, it is possible for districts to have unreimbursed costs through this reimbursement methodology.

State Aid Payment Methodology

The preliminary Section 24 state aid distribution to districts will be based upon the Section 24 calculation reimbursement methodology using the most recent approved final costs from each district's SE-4824, blended FTE membership, and foundation allowances. The preliminary distribution is reflected on the State Aid Status Report annually.

Districts should notify MDE by the last business day in September if a preliminary state aid payment is not to be established.

The final Section 24 state aid distribution to districts will be adjusted based upon the Section 24 calculation reimbursement methodology using the approved final costs from each district's SE-4824 for the fiscal year, blended FTE membership, and foundation allowances. The distribution formula will also be recalculated to include any additional SE-4824 cost reports submitted not originally captured in the preliminary payment calculation. The final distribution is reflected on the State Aid Status Report annually through a prior period adjustment.

Pupil FTE Reporting in the Michigan Student Data System (MSDS)

Accurate MSDS reporting of pupil membership enrolled in MDE approved Section 24 programs is required to receive Section 24 reimbursement. Districts must work with their ISD pupil accounting auditor to ensure the FTE reported for Section 24 pupils is accurate and reported using the correct residency code. Inaccurate reporting of pupil FTE will affect the state aid reimbursement paid to the ISD/member district under Section 24.

ISDs and member districts must accurately report regular education and special education Section 24 FTE in MSDS. Regular education FTE for Section 24 pupils is not to be reported as special education FTE.

The district must keep pupil attendance records in a format consistent with the State Board of Education's Pupil Membership Accounting and Auditing Manual. Pupil Accounting Manual (PAM) webpage. These records are also subject to review by the ISD and MDE.

Required Length of School Year

Educational programs provided by districts on the grounds of juvenile detention facilities and child caring institutions must be scheduled the minimum number of days and clock hours of instruction required by the State School Aid Act. The program will be funded to operate at a minimum, the same number of days and hours approved for the district's regular K-12 programs.

Instructions for Completing Form SE-4824

- Complete a separate SE-4824 for each MDE approved educational program the district provides in juvenile detention facilities and child caring institutions.
- The SE-4824 shall reflect costs for the school year July 1 to June 30.
- Report all costs to the nearest dollar.

- The Michigan Public School Accounting Manual serves as a mandatory guide to the uniform classification and recording of accounting transactions for Michigan public school districts.
- Only allowable costs charged to local funds, and which have not already been reimbursed through another funding mechanism are eligible to be reported on the SE-4824.
    - Examples of costs reimbursed with other funds to be excluded from the SE-4824 include but are not limited to:
        - State School Aid Act Funding
            - Section 25f for payments to strict discipline academies and qualified districts. Districts must apply for Section 24 reimbursement before being eligible for reimbursement under Section 25f.
        - Federal Funding
            - Every Student Succeeds Act (ESSA) Title I Part D
            - Individuals with Disabilities Education Act (IDEA)
- Costs are to be reported on the SE-4824 using a direct charge basis wherever possible, or by a method of allocation which provides a reasonable distribution of costs based on the benefit received by Section 24 regular education, special education section 52, and special education section 53a students. Districts are required to keep documentation to verify all amounts recorded as journal entries.
    - Allocation and/or journal entry documentation must be maintained for monitoring purposes and submitted to MDE upon request.
    - Lack of allocation and/or journal entry documentation may result in the disallowance of costs.

Reporting FTE

ISDs/member districts are to report pupil FTEs on the SE-4824 based on the Fall FTE count for the following Section 24 pupils:

- Regular Education
- Special Education Section 52
- Special Education Section 53a

Pupil FTEs reported on the SE-4824 must match the applicable Fall DS-4120. MDE will follow up with districts regarding FTEs reported on the SE-4824 that do not align with the DS-4120. The FTE reported on the DS-4120 is what MDE will use for all foundation allowance adjustments when implementing the Section 24 reimbursement calculation methodology.

Reporting Personnel and Other Costs

The following instructions outline how to report costs for each category on the SE-4824 as well as the eligibility of costs to be reported on the SE-4096.

ISDs/member districts are to report costs on the following sections of the SE-4824 as applicable:

- Regular Education
    - Costs reported under this section are eligible for reimbursement under Section 24 only. These costs are not eligible to be reported on the SE-4096.
- Special Education Section 52
    - Costs reported under this section are eligible to be reported on the Function 122-Section 24 line on the Section 52 page of the SE-4096.
- Special Education Section 53a
  As indicated in Section 53a(3) of the State School Aid Act, "only those costs that are clearly and directly attributable to educational programs for pupils described in subsection (2), and that would not have been incurred if the pupils were not being educated in a district or intermediate district, are reimbursable under this section."
    - Costs reported under this section are eligible to be reported on the Function 122-Section 24 line on the Section 53a page of the SE-4096.
    - Instructional and support costs reported under Section 53a are to be determined based on the instructional and support services received by Section 53a students.
- If it appears the same allocation percentage is used to prorate costs to Section 53a from Section 52 for multiple lines, MDE OSE will return the SE-4824 to the district for required modifications if a reasonable justification is not provided.
- ***Administrative costs related to operating the program*** *including costs related to directors of special education, special education supervisors, special education building principals, secretarial support for special education personnel, and other administrative costs normally incurred by the* ***district are not chargeable to Section 53a without an annual prior approval from MDE OSE.***

Regular Education Teachers

Report the professional staff FTE and related costs of regular education teachers educating Section 24 students at the juvenile detention facility or child caring institution. Districts are responsible for ensuring adequate staffing. Classrooms may not exceed the maximum count of ten (10) students at any 1 time.

Regular education teacher costs are eligible to be reported on the regular education portion of the SE-4824 only.

Regular Education Aides

Report the aide FTE and related costs for regular education aides supporting the education of Section 24 students at the juvenile detention facility or child caring institution.

The split-funding of salaries and wages for aides must be based on records that accurately reflect the work performed. These records must be supported by a system of internal control which provides reasonable assurance the charges are accurate, allowable, and properly allocated. The personnel activity report (PAR) form is no longer specifically required.

Regular education aide costs are eligible to be reported on the regular education portion of the SE-4824 only.

Special Education Teachers

Report the professional staff FTE and related costs for special education teachers educating Section 24 students at the juvenile detention facility or child caring institution. Districts are responsible for ensuring adequate staffing. Classrooms may not exceed the maximum count of ten (10) students at any 1 time.

Section 388.1651a(6)(a) of the State School Aid Act states "Special education approved personnel not utilized full time in the evaluation of students or in the delivery of special education programs, ancillary, and other related services are reimbursed under this section only for that portion of time actually spent providing these programs and services, **with the exception of special education programs and services provided to youth placed in child caring institutions or juvenile detention programs approved by the department to provide an on-grounds education program."**

Therefore, the costs related to the special education teacher serving both students with disabilities and general education students are still eligible for special education state aid reimbursement on the SE-4096. See MARSE R. 340.1757.

Special education teacher costs are eligible to be reported on the special education section 52 and/or special education section 53a portions of the SE-4824, as applicable.

Special Education Aides

Report the aide FTE and related costs for special education aides supporting the education of Section 24 students with disabilities at the juvenile detention facility or child caring institution.

The split-funding of salaries and wages for aides must be based on records that accurately reflect the work performed. These records must be supported by a system of internal control which provides reasonable assurance the charges are accurate, allowable, and properly allocated. PAR form is no longer specifically required.

Special education aide costs are eligible to be reported on the special education section 52 and/or special education section 53a portions of the SE-4824, as applicable.

Special Education Evaluators and Service Providers

Report the staff professional FTE and related costs for special education evaluators and service providers including but not limited to:

- Teacher Consultant for students with disabilities
- School Psychologist
- Speech Therapist
- School Social Worker
- Occupational Therapist
- Physical Therapist

The district must keep records showing the costs reported for special education evaluators and service providers on the SE-4824 reflect actual time spent in the on-grounds program serving Section 24 students with disabilities based on their Individualized Education Program (IEP). Such documentation shall be submitted to MDE upon request. Lack of documentation may result in the disallowance of these costs.

Special education evaluator and service provider costs are eligible to be reported on the special education section 52 and/or special education section 53a portions of the SE-4824, as applicable.

School Liaison

The district may assign staff to serve as a liaison to the juvenile detention facility or child caring institution, coordinate IEPs, provide supervision, or otherwise help coordinate the educational services operated by the district on the grounds of the juvenile detention facility or child caring institution.

The district must keep records showing the costs reported for a school liaison(s) on the SE-4824 reflect actual time spent on the on-grounds program serving Section 24 regular education students and students with disabilities. Such documentation shall be submitted to MDE upon request. Lack of documentation may result in the disallowance of these costs.

The school liaison may be a:

- Supervisor
- Principal
- Teacher consultant for students with disabilities
- Other professional who carries out this activity on either a full or part-time basis

The costs associated with the school liaison for reimbursement under Section 24 must be on-site at the juvenile detention facility or child caring institution for related costs to be reported on the SE-4824 for this role.

If the district reports costs for a school liaison on the SE-4824, the following information is required to be provided in the additional data section of the cost report:

- The name of the individual functioning as the school liaison
- Whether the individual holds a special education approval, and
- The credential held by the individual

School liaison costs are eligible to be reported on the regular education, special education section 52 and/or special education section 53a portions of the SE-4824, as applicable.

If the school liaison is not approved special education personnel based on education credentials, the costs reported for the liaison are eligible to be reported on the regular education portion of the SE-4824 only.

Costs related to the district's Director of Special Education are ineligible to be reported on the SE-4824 to carry out this function.

Secretarial Staff

Only costs related to secretarial staff dealing with student educational records are eligible to be reported on the SE-4824.

The district must keep records showing the costs reported for secretarial staff on the SE-4824 reflect actual time spent serving Section 24 regular education students and students with disabilities. Such documentation shall be submitted to MDE upon request. Lack of documentation may result in the disallowance of these costs.

Costs related to secretarial staff record keeping that is a facility treatment function should be paid for by the facility and are not eligible to be reported on the SE-4824.

Secretarial staff costs are eligible to be reported on the regular education, special education section 52 portions of the SE-4824, as applicable.

School Counselor

The district must keep records showing the costs reported for a school counselor on the SE-4824 reflect actual time spent on the on-grounds program serving Section 24 regular education students and students with disabilities. Such documentation shall be submitted to MDE upon request. Lack of documentation may result in the disallowance of these costs.

School counselors are eligible to be reported on the regular education portion of the SE-4824 only.

Non-Staff Instructional Costs

Non-staff instructional costs related to supporting Section 24 students include items listed in the State Aid & IDEA Part B, Section 611 Allowable Costs document including but not limited to:

- Professional development
- Non-staff purchased services
- Instructional supplies and materials
- Capital outlay

These costs must be reported on the appropriate line on the SE-4824 on a direct usage basis.

Non-staff instructional costs are eligible to be reported on the regular education, special education section 52 and/or special education section 53a portions of the SE-4824, as applicable.

Costs Not Eligible for Reimbursement on Form SE-4824

Office and Administrative Supplies

Office and administrative supplies are unallowable to be reported on the SE-4824.

Rent and Other Overhead Costs

The juvenile detention facility or child caring institution is responsible to provide facilities which meet the requirements of the fire marshal and health department for classroom space as a condition for serving students on grounds.

Districts may not report any cost for rent on the SE-4824. MDHHS reimburses the facility for its operation and maintenance costs.

Student Transportation

Costs related to student transportation are not to be reported on the SE-4824. Student transportation costs are reported on the Transportation Expenditure Report (SE-4094) and reimbursed under Section 22l, Section 51a(2), Section 51c, or Section 53a(5) depending on the type of student transportation being provided.

Technical Assistance

Requests for program or technical assistance information should be directed to MDE-OSEProgramFinance@michigan.gov.