



State Aid & IDEA Part B, Section 611 Allowable Costs

Michigan Department of Education

Office of Special Education

May 2026



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State Aid & IDEA Part B, Section 611 Allowable Costs

Sections 51a, 52, and 53a of the State School Aid Act limit categorical reimbursement to costs approved by the Michigan Department of Education Office of Special Education (MDE OSE). Federal Flowthrough funds for the *Individuals with Disabilities Education Act* (IDEA) are appropriated in Section 51a of the State School Aid Act and are subject to the same funding criteria as state funded programs, except where noted.

The following is a list of items approved to be included as direct costs on the SE-4096, Special Education Actual Cost Report, IDEA Federal Grant application, and Final Expenditure Report (FER). This list also applies to on-grounds juvenile detention programs funded under Section 24 of the State School Aid Act. Items not on this list require prior MDE written approval before being charged to the federal grant or state aid as direct costs.

Costs contracted from another Michigan public school district are allowable costs if the following are met:

- There is an agreement signed by each district regarding which district will be reporting the costs for reimbursement. A signed agreement is needed to ensure costs are not over reported for reimbursement between the districts.
- If the operating district claims costs for reimbursement, the operating district must deduct the reimbursement to be received before billing the contracting district. The deduction is needed to ensure the operating district is not over reimbursed.
- Documentation to support how the contracted costs were reported between districts, as well as the signed agreement, must be maintained for monitoring purposes and submitted to MDE OSE upon request. Lack of documentation may result in the disallowance of costs.

Function Code 122 - Instruction

Special education classroom salaries. Report teacher costs using one of the program codes from the following table.

Object Code	Program Code	Description	State Aid Funds	IDEA Flowthrough
1240	110	Mild Cognitive Impairment	Y	Y
1240	120	Moderate Cognitive Impairment	Y	Y
1240	130	Severe Cognitive Impairment	Y	Y
1240	140	Emotional Impairment	Y	Y
1240	150	Specific Learning Disability	Y	Y
1240	160	Deaf or Hard of Hearing	Y	Y
1240	170	Blind or Low Vision	Y	Y
1240	180	Physical & Other Health Impairment	Y	Y
1240	190	Severe Multiple Impairment	Y	Y
1240	191	Early Childhood Special Education	Y	Y
1240	192	Severe Language Impairment	Y	Y
1240	193	Autism Spectrum Disorder	Y	Y
1240	194	Resource Program	Y	Y
1630	N/A	Aide Salary Report by program assignment; instructional aides must be reported under Function Code 122-Instruction (lines 1-15 on the SE-4096). May have a split assignment (see Appendix A).	Y	Y
1690	N/A	Interpreter	Y	Y
1860	N/A	Substitute of Temporary Aide	Y	Y
1870	N/A	Substitute Teacher - Substitute teachers for IDEA professional development activities are reported under Function Code 221.	Y	Y

Function Code 122 - Purchased Services Staff

Object Code	Description	State Aid Funds	IDEA Flowthrough
3110	Contracted Instructional Services - Approved special education instructional staff must be reported using the program codes above. This is for public school academies and intermediate school districts only.	Y	Y

Object Code	Description	State Aid Funds	IDEA Flowthrough
	Payments made for tuition are not considered professional development and are not an allowable cost.		
3110	Substitute Teacher or Aide Contracted From a Third Party Agency - This is for local and intermediate school districts and public school academies.	Y	Y
3110	Other Professional/Technical Services for Staff - Such as medical consultation not provided under employee benefits.	Y	Y

Function Code 122 – Purchased Services Non–Staff

Object Code	Description	State Aid Funds	IDEA Flowthrough
3210	Local Travel for Staff Traveling Between Buildings Only - Note: Record conference/in-service/workshop travel under Improvement of Instruction as Function Code 221, Object Code 3220 for instructional staff. Record conference/in- service/ workshop travel for support services staff under Function Code 283, Object Code 3220. Payments for tuition are not considered professional development and are not an allowable cost.	Y	Y
3450	Instructional Software Licenses Only - i.e., digital text book subscriptions for special education students, not curriculum choices such as Edgenuity.	Y	Y
3610	Printing for Instructional Materials on a Contracted Basis	Y	Y
4120	Instructional Equipment and Instructional Equipment Maintenance (i.e., hearing aids) - Used 100 percent for special education. This does not include repair or replacement costs for copy, fax, or other non-instructional equipment or machines.	Y	Y
4220	Rental of Special Education Instructional Equipment (i.e., wheelchairs). This does not include rental of copy, fax, or other non-instructional equipment of machines.	Y	Y
5110	Teaching Supplies and Materials – Includes consumable items and equipment valued below the applicable per-item threshold. For grants or school years prior to 2026–27, the applicable threshold is less than \$5,000 per item. Beginning with the 2026–27 grant or school year and for	Y	Y

Object Code	Description	State Aid Funds	IDEA Flowthrough
	<p>each year thereafter, the applicable threshold is less than \$10,000 per item.</p> <p>Only items used for pupil evaluation or instruction are reimbursable. An example includes instructional assistive technology toolkits for students with individualized education programs (IEPs). Furniture and instructional equipment ordinarily available to general education pupils are not reimbursable, including items such as desks, chairs, lockers, movies, overhead projectors, smart boards, white boards, and similar items.</p> <p>Objects of expenditure should be assigned on a direct-charge basis to each program.</p>		
5210	Textbooks for Exclusive Special Education Use - Including Braille and Talking Book expense.	Y	Y
5310	Library Books – These are limited to center-based programs in self-contained special education buildings and special education learning material centers.	Y	Y
5410	Periodicals for Special Education Pupil Use Only	Y	Y

Function Code 122 – Capital Outlay

Object Code	Description	State Aid Funds	IDEA Flowthrough
64xx	<p>Capital Outlay – Refers to non-consumable instructional equipment with a per-item cost equal to or above the applicable threshold, based on the net invoice price of the equipment and any accessories or apparatus necessary to make the equipment usable for its acquired purpose. Installation costs are not included. For grant or school years prior to 2026–27, the applicable threshold is \$5,000 or more per item. Beginning with the 2026–27 grant or school year, and for each grant or school year thereafter, the applicable threshold is \$10,000 or more per item.</p> <p>Furniture and instructional equipment ordinarily available to general education pupils, such as movie projectors, smart boards, white boards, and lab tables, are not reimbursable. Computers used 100 percent in special education classrooms for instruction are reimbursable.</p> <p>MDE prior approval is required for IDEA Flowthrough.</p>	Y	Y

Object Code	Description	State Aid Funds	IDEA Flowthrough
	Prior approval is recommended if a district wants assurance that capital outlay costs are allowable for reimbursement with State Aid funds.		

Function Code 122 – Other Expenses

Object Code	Description	State Aid Funds	IDEA Flowthrough
7410	Dues and Fees for Special Education Personnel Memberships in Professional Organizations Related to Special Education – Includes professional licenses for instructional and support personnel. Criminal background checks and Hepatitis B vaccines are now recorded under Function Code 283, Object Code 3190 or 7410.	Y	Y

Function Code 122 – Employee Benefits for Instructional Staff Only

Object Code	Description	State Aid Funds	IDEA Flowthrough
2100	Insurance - i.e., individual health, dental, life, and other benefits in the 2100 series.	Y	Y
2410	Physicals, Hepatitis B Vaccines	Y	Y
2800	Retirement, Social Security, Medicaid – Includes other employee benefits in the 2800 series. Note: Special Allowance coded under 23xx (i.e., tuition is not an allowable cost.)	Y	Y
2920	Cash Payments - In lieu of benefits in the 2100 series.	Y	Y

Function Code 213 – Health Services

Object Code	Description	State Aid Funds	IDEA Flowthrough
1160	Supervision - Must be at least half-time special education.	Y	Y
1410	Physician - When listed as an employee; for diagnosis or evaluation services only. Note: Services provided by a physician other than for diagnostic or evaluation purposes are subject to the	Y	Y

Object Code	Description	State Aid Funds	IDEA Flowthrough
	medical exclusion and not reimbursable (Garret vs. U.S. Supreme Court, March 3, 1999).		
1450	Nurse - Special education only.	Y	Y
1470	Physical Therapist	Y	Y
1480	Occupational Therapist	Y	Y
1630	Aides – Includes health care aides serving under an occupational therapist, physical therapist, or nurse. May have a split assignment (see Appendix A).	Y	Y
1860	Substitute or Temporary Aide	Y	Y
3000-7000	Series - Refer to pages 5-8 for directions. Contracted costs from another Michigan public school district are not allowed absent a signed agreement. See page 4 for additional information regarding the agreement requirements.	Y	Y
3130	Professional/Technical - Contracted audiological medical service, psychologist, or other student services (reported under appropriate function codes).	Y	Y

Function Code 214 – Psychological Services

Object Code	Description	State Aid Funds	IDEA Flowthrough
1430	Psychologist/Psychiatrist	Y	Y
1490	Other Technical-Board Certified Behavior Analyst (BCBA) and Board Certified Assistant Behavior Analyst (BCaBA)	Y	Y
1630	Bilingual Aides - Under R 340.1793.	Y	Y
1860	Substitute or Temporary Aide	Y	Y
3000-7000	Series - Refer to pages 5-8 for directions. Contracted costs from another Michigan public school district are not allowed absent a signed agreement. See page 4 for additional information regarding the agreement requirements.	Y	Y
3130	Professional/Technical - Contracted audiological medical service, psychologist, or other student services (reported under appropriate function codes).	Y	Y

Function Code 215 – Speech Pathology and Audiology

Object Code	Description	State Aid Funds	IDEA Flowthrough
1280	Speech and Language Therapist	Y	Y
1490	Audiologist	Y	Y
1630	Bilingual Aides - Under R 340.1793.	Y	Y
1820	Substitutes for Speech Audiology	Y	Y
1860	Substitute of Temporary Aide	Y	Y
3000-7000	Series - Refer to pages 5-8 for directions. Contracted costs from another Michigan public school district are not allowed absent a signed agreement. See page 4 for additional information regarding the agreement requirements.	Y	Y
3130	Professional/Technical - Contracted audiological medical service, psychologist, or other student services (reported under the appropriate function codes).	Y	Y

Function Code 216 – Social Work Services

Object Code	Description	State Aid Funds	IDEA Flowthrough
1440	School Social Work	Y	Y
1630	Bilingual Aides - Under R 340.1793.	Y	Y
1820	Substitutes Social Worker	Y	Y
1860	Substitute of Temporary Aide	Y	Y
3000-7000	Series - Refer to pages 5-8 for directions. Contracted costs from another Michigan public school district are not allowed absent a signed agreement. See page 4 for additional information regarding the agreement requirements.	Y	Y
3130	Professional/Technical - Contracted audiological, medical service, psychologist, or other student services (reported under the appropriate function codes).	Y	Y

Function Code 217 – Visual Aid Services

Object Code	Description	State Aid Funds	IDEA Flowthrough
1270	Media Specialist for the Visually Impaired	Y	Y
1290	Orientation and Mobility Specialist	Y	Y
1630	Bilingual Aides - Under R 340.1793.	Y	Y
1860	Substitute of Temporary Aide	Y	Y
3000-7000	Series - Refer to pages 5-8 for directions. Contracted costs from another Michigan public school district are not allowed absent a signed agreement. See page 4 for additional information regarding the agreement requirements.	Y	Y
3130	Professional/Technical - Contracted audiological, medical service, psychologist, or other student services (reported under the appropriate function codes).	Y	Y

Function Code 218 – Special Education Consultant and Early Childhood Services

Object Code	Description	State Aid Funds	IDEA Flowthrough
1250	Instructional Consultation - To include special education teacher consultants and non-classroom early childhood special education instructional staff under Rules 340.1755 and 340.1862. Cost for programs under Rule 340.1862 apply to state aid only. Teacher consultants functioning under Rule 340.1749. For teacher consultants with a split assignment, only the teacher consultant time is reported here. Report teacher consultants functioning under Rule 340.1748a without a caseload under Function Code 221.	Y	Y
1630	Aides – May have a split assignment (see Appendix A); for early classroom programs only.	Y	Y
1820	Substitute Teacher Consultant	Y	Y
1860	Substitute of Temporary Aide	Y	Y
3000-7000	Series - Refer to pages 5-8 for directions. Contracted costs from another Michigan public school district are not	Y	Y

Object Code	Description	State Aid Funds	IDEA Flowthrough
	allowed absent a signed agreement. See page 4 for additional information regarding the agreement requirements.		

Function Code 219 – Other Pupil Services

This includes a transition coordinator, music therapist, recreation therapist, teacher of homebound/hospitalized, and other professional personnel who qualify under R340.1792 and are not included elsewhere.

Object Code	Description	State Aid Funds	IDEA Flowthrough
1490	Other Professional Personnel	Y	Y
1630	Aides – May have a split assignment (see Appendix A).	Y	Y
1820	Substitute Teacher Consultant	Y	Y
1860	Substitute of Temporary Aide	Y	Y
1890	Substitute Homebound/Hospitalized teachers	Y	Y
3000-7000	Series - Refer to pages 5-8 for directions. Contracted costs from another Michigan public school district are not allowed absent a signed agreement. See page 4 for additional information regarding the agreement requirements.	Y	Y

Function Code 221 – Improvement of Instruction

Object Code	Description	State Aid Funds	IDEA Flowthrough
1250	Teacher Consultants Without a Student Caseload - Functioning under special education Rule 340.1748a.	Y	Y
1870	Substitute Teachers - IDEA professional development activities only.	N	Y
3120	Professional Development - Performed by personnel qualified to assist district staff in performing their duties.	Y	Y
3220	Conference/In-Service/Workshop Travel (instructional staff only)	Y	Y
3000-7000	Series - Refer to pages 5-8 for directions. Contracted costs from another Michigan public school district are not	Y	Y

Object Code	Description	State Aid Funds	IDEA Flowthrough
	allowed absent a signed agreement. See page 4 for additional information regarding the agreement requirements.		

Function Code 226 – Supervision and Direction of Instructional Staff

Object Code	Description	State Aid Funds	IDEA Flowthrough
1120	Assistant Superintendent or Director of Special Education with the Title of Assistant Superintendent - Must be at least half-time at the local district or public school academy level. Intermediate school district special education directors must be full time.	Y	Y
1160	Supervisors - Must work at least half of their employment within the entity for reimbursement.	Y	Y
1170	Director of Special Education Who Is Not an Assistant Superintendent - Must be at least half-time at the local district or public school academy level). Intermediate school district special education directors must be full time.	Y	Y
1620	Secretary/Clerical – May have a split assignment (see Appendix A).	Y	N
1880	Substitute or Temporary Clerical	Y	N
3000-4000 & 7000	Series - Refer to pages 5-8 for directions. Contracted costs from another Michigan public school district are not allowed absent a signed agreement. See page 4 for additional information regarding the agreement requirements.	Y	Y

Function Code 231 – Board of Education (Purchased Services Only)

Object Code	Description	State Aid Funds	IDEA Flowthrough
3170	Hearing Officer and Mediation Fees - Hearing officer fees when an attorney is a hearing officer as required by special education rules. Note: School attorney fees for hearing are not allowable.	Y	Y

Object Code	Description	State Aid Funds	IDEA Flowthrough
3180	Federal Audit Expenses - Chargeable to the appropriate federal grant provided there is a bill showing actual audit costs.	N	Y
3190	Professional Technical - Hearing officer and mediation fees if an attorney is not used. Court recorders for hearing cost are included here.	Y	Y

Function Code 241 – Office of School Principal

Object Code	Description	State Aid Funds	IDEA Flowthrough
1160	Special Education Supervisors Acting as Principals – Allowed when the school building is used solely for special education purposes.	Y	Y
1620	Secretary/Clerical – May have a split assignment (see Appendix A).	Y	N
1880	Substitute or Temporary Clerical	Y	N
3000-4000 & 7000	Series - Refer to pages 5-8 for directions. Contracted costs from another Michigan public school district are not allowed absent a signed agreement. See page 4 for additional information regarding the agreement requirements.	Y	Y

Function Code 261 – Direct Operation and Maintenance

Limited to facilities used solely for special education where the direct cost method is used. If a district chooses to use this method, the district must include a description of how the direct operation and maintenance is calculated. The district may not charge indirect costs for any special education supportive or related service housed in a facility for which direct operation and maintenance is charged. A description must accompany the SE-4096 and include: (a) a list of all special education programs, support services, and related service personnel housed in the facility; (b) the salary and related costs for each; and (c) the procedure used to deduct these costs from the indirect cost claimed by line item.

Special procedures and examples are available from the Office of Special Education upon request. The combination of direct and indirect totals cannot exceed the limit

established in the State Aid Act which is presently 15 percent. Only state funds may be used for these costs.

Object Code	Description	State Aid Funds	IDEA Flowthrough
1550	Crafts and Trades	Y	N
1620	Other Operation and Services. This is limited to switchboard operator or receptionist in a facility used exclusively for special education.	Y	N
1640	Custodian	Y	N
1670	Laborer	Y	N
2000	Employee Benefits (same as for Function Code 122)	Y	N
3000	Purchased Services	Y	N
3800	Utilities	Y	N
3900	Insurance	Y	N
4100	Repair and Maintenance Services	Y	N
4200	Rentals	Y	N
5900	Supplies & Materials for Operation & Maintenance	Y	N

Function Code 271 – Pupil Transportation

Object Code	Description	State Aid Funds	IDEA Flowthrough
33xx	Use this code to report costs for federally funded field trips and MDE approved Section 53a transportation. Refer to Appendix B, "IDEA Reimbursement of Field Trip Transportation." Section 53a transportation expenditures are carried forward from the SE-4094 Transportation Expenditure Report to this line.	Section 53 Transportation Only	Y

Function Code 281 - Planning, Research, Development and Evaluation

Costs limited to those 100 percent attributable to special education programs and services.

Object Code	Description	State Aid Funds	IDEA Flowthrough
1180	Special Education Approved Personnel - Functioning as planner/ monitors, child find coordinators, or compliance personnel.	Y	Y
3000-7000	Series - Refer to pages 5-8 for directions. Contracted costs from another Michigan public school district are not allowed absent a signed agreement. See page 4 for additional information regarding the agreement requirements.	Y	Y

Function Code 283 – Staff/Personnel Services

Object Code	Description	State Aid Funds	IDEA Flowthrough
3120	Professional Development - Performed by personnel qualified to assist district staff in performing their duties more effectively	Y	Y
3190	Criminal Background Checks/Hepatitis B Vaccines (contracted service)	Y	Y
3220	Conference/In-Service/Workshop Travel for Non-Instructional Personnel	Y	Y
7410	Criminal background Checks/Hepatitis B Vaccines	Y	Y

Function Code 284 –Support Services Technology for ISD Central Registry and IEP Software

Report data processing costs related to instructional materials under Function Code 122-Instruction. If a district operates their own computer program, an auditable method of billing must be used. Reimbursement is limited to operational costs and may not include purchase or replacement of equipment in the service costs.

Object Code	Description	State Aid Funds	IDEA Flowthrough
1510	Data Processing Personnel - One secretary/ clerical may be federally funded for the central registry at the ISD only.	N	Y
3160	Contract Data Processing Services for Central registry Only from a Non-School Entity - Costs cannot include programming charges or overhead costs. They are limited to machine time, keypunch, and supplies. Note: Public Consulting Group (PCG) related costs are not reimbursable.	Y	Y
3450	IEP Software	Y	Y

Function Code 299 – Other Support Services

Object Code	Description	State Aid Funds	IDEA Flowthrough
4190	Other Purchased Services – Room and board for special education students.	Y	N

Function Code 2XX – Employee Benefits for Support Services Personnel Only

Object Code	Description	State Aid Funds	IDEA Flowthrough
2100	Insurance - i.e., individual health, dental, life and other benefits in the 2100 series.	Y	Y
2410	Physicals, Hepatitis B Vaccines	Y	Y
2800	Retirement, Social Security, Medicaid - Includes other employee benefits in the 2800 series)	Y	Y

Object Code	Description	State Aid Funds	IDEA Flowthrough
	Note: Special Allowances coded under 23xx (i.e., tuition) are not an allowable cost.		
2920	Cash Payments - In lieu of benefits in the 2100 series.	Y	Y

Function Code 331 – Community Activities

Object Code	Description	State Aid Funds	IDEA Flowthrough
3190	Professional learning to educate parents/legal guardians on federal and state mandates regarding the rights and protections of students with disabilities so that parents/legal guardians may be able to provide meaningful input in collaboration with school districts to develop and implement an individualized education program (IEP). MDE prior approval required.	Y	Y
3220	Travel Expenses for Special Education Parent Advisory Committee Members	Y	Y
3610	Printing of materials for parents/legal guardians on a Contracted Basis	Y	Y
5990	Miscellaneous supplies and materials	Y	Y

Function Code 371 – Non-Public School Pupils (Used for Federal Proportionate Share Requirement)

Services to pupils attending a school established by an agency other than the state, subdivision of the state, or the federal government, which usually is supported primarily by other, non-public funds.

Object Code	Description	State Aid Funds	IDEA Flowthrough
1250	Special Education Teacher Consultant - Must be providing direct services to non-public school pupils.	N	Y
1280	Speech and Language Therapist	N	Y
1430	Psychologist/Psychiatrist	N	Y
1440	School Social Work	N	Y
1470	Physical Therapist	N	Y

Object Code	Description	State Aid Funds	IDEA Flowthrough
1480	Occupational Therapist	N	Y
2100	Insurance - i.e., individual health, dental, life and other benefits in the 2100 series.	N	Y
2410	Physicals, Hepatitis B Vaccines	N	Y
2800	Retirement, Social Security, Medicaid - Includes other employee benefits in the 2800 series. Note: Special Allowances coded under 23xx (i.e., tuition) are not an allowable cost.	N	Y
2920	Cash payments - In lieu of benefits in the 2100 series.	N	Y
3130	Professional/Technical - Contracted audiological medical service, psychologist, or other student services (reported under appropriate function codes).	N	Y
3210	Local Travel - For staff traveling between buildings only.	N	Y

Function Code 421 – Payments to Other Government Units Outside of the State

Object Code	Description	State Aid Funds	IDEA Flowthrough
8310	Tuition for Pupils Attending Public School in Another State. This is restricted to either districts that border another state or placements approved under the November 14, 1989 State Board Policy, "Application and Procedure for State Board of Education Authorization for Public Education Agency Placement of a Handicapped Pupil in a Private School."	N	Y

Function Code 431 – Payments to the State Schools for the Deaf

Intermediate school districts (ISD) only.

Object Code	Description	State Aid Funds	IDEA Flowthrough
3710	Tuition for the Michigan Schools for the Deaf (MSD) - May be charged to state aid.	Y	N

Function Code 441 – Payments to Other Governmental Entities

Object Code	Description	State Aid Funds	IDEA Flowthrough
8910	<p>Transfers to the Michigan Department of Labor and Economic Growth, Rehabilitation Services, MDLG-RS - Related to a cooperative agreement that ensures the district receives special education services at least equal to the amount transferred to MDLG-RS, are eligible. Report these costs on line 40, column 8.</p> <p>Transfers to the Department of Health and Human Services, or other governmental units for cooperative services, are not reimbursable. Section 51a limits reimbursement to “approved special education personnel.”</p>	Y	N

Technical Assistance

Direct any questions to the Office of Special Education, Program Finance:

MDE-OSEProgramFinance@michigan.gov

Appendix A: Split-Funded Paraprofessionals and Secretarial/Clerical Staff



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING


GRETCHEN WHITMER
GOVERNOR

MICHAEL F. RICE, Ph.D.
STATE SUPERINTENDENT

Memorandum

DATE: February 20, 2020

TO: Local and Intermediate School District (ISD) Superintendents,
Public School Academy Directors

FROM: Dr. Scott M. Koenigsknecht, Deputy Superintendent 
P-20 System and Student Transitions

SUBJECT: Clarification Regarding Funding for Special Education Secretarial/
Clerical Staff and Paraprofessionals with a Split-Assignment

Beginning with the 2019-20 school year, the Michigan Department of Education, Office of Special Education (MDE OSE) will allow reimbursement of split-funded secretarial/clerical staff who are not utilized full time in special education. This decision is a result of Michigan's School-Based Services (SBS) Medicaid Expansion/Caring for Students (C4S) (Medicaid Expansion). This replaces the previous requirement for secretarial/clerical staff to work 100 percent of the time in special education in order to be reported on the SE-4096 Special Education Actual Cost Report. This change extends past the Medicaid Expansion to include other types of split-funding. This change only applies to state aid funds. The use of Individuals with Disabilities Education Act (IDEA), Part B Flowthrough funds for secretaries/clerical staff is still not allowable.

Additionally, the MDE OSE continues to allow reimbursement of split-funded paraprofessionals who are not utilized full time in the delivery of special education

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programs, ancillary and other related services for that portion of time spent in the delivery of special education programs and services. Such paraprofessionals may be reimbursed under state aid or IDEA, Part B Flowthrough funding.

The split-funding of salaries and wages for secretarial/clerical staff and paraprofessionals 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) for is no longer required.

The MDE OSE is in the process of updating the State Aid & IDEA Part B, Section 611 Allowable Costs document, the SE-4096 User Guide, and the SE-4096 Instructions to reflect the change to split-fund secretarial/clerical staff.

These changes directly align with Goal 7 of the MDE's Top 10 in 10 Goals and Strategies by developing an innovative and cohesive state education agency that supports an aligned, coherent education system at all levels (state, ISD, district, and school).

If you have any questions, please contact Sean McLaughlin by email at McLaughlinS@michigan.gov, or by calling 517-241-7123. You may also contact JL Purves by email at PurvesJ@michigan.gov, or by calling 517-241-7081.

cc: Michigan Education Alliance

Appendix B: IDEA Reimbursement of Field Trip Transportation

The State School Aid Act allows school districts to charge field trips for special education pupils to the IDEA Flowthrough grant. School districts are not allowed to charge other special education related transportation costs to the IDEA Flowthrough grant. Such a transfer of charges is considered supplanting under federal regulations.

Field Trip Defined

Field trips are non-mandated and noncredit events, which are considered extra-curricular or co-curricular activities. Instructional activities that are scheduled away from school on a regular basis are not field trips. Examples are as follows:

Example 1: Special education students are scheduled three mornings a week at a community-based instruction site. Since this is a regular scheduled activity which is part of the special education curriculum for these pupils, it is charged as a transportation cost under Section 58 of the State School Aid Act. These costs for transportation may not be charged to a special education grant.

Example 2: A special education class travels to a local civic center to see a dance troupe perform. Since this is not a regularly scheduled part of the curriculum, the costs of transportation may be charged to the special education grant as a field trip.

Refer questions related to the reimbursement of field trips with the IDEA grant to:

Michigan Department of Education
Office of Special Education
Program Finance
PO Box 30008
517-241-1235

Appendix C: Using State Aid and Federal Funds Under IDEA for Severance Payments and Bonuses

Severance payments, or money paid to employees upon dismissal or discharge, are not allowable as a direct charge for reimbursement under State Aid or IDEA federal funds.

Bonuses and incentive payments that exceed the contracted salary amounts, regardless of being coded as a salary (17XX) or a benefit (2XXX) are not a requirement under state or federal law for the provision of special education programs and services and are not reimbursable for State Aid or IDEA federal funds.

Appendix D: CEIS Function Codes

Intermediate School Districts (ISDs), Local Educational Agencies (LEAs), and Public School Academies (PSAs) may use the following function codes when implementing coordinated early intervening services (CEIS) for students not currently identified as needing special education. The function codes are for funds provided under Part B of the *Individuals with Disabilities Education Act* (IDEA).

Function Codes

- 111 Elementary
- 112 Middle / Junior High
- 113 High School