

Fiscal Year 2026 Individuals with Disabilities Education Act (IDEA) Part C – Federal Grant Application Information

I-1. IDEA Part C – Program for Infants and Toddlers with Disabilities and Their Families

Part C of the Individuals with Disabilities Education Improvement Act of 2004 provides funding to states to assist in developing and maintaining a statewide, comprehensive, coordinated, multidisciplinary, interagency system of early intervention services for infants and toddlers with disabilities and their families. On October 1, 1993, Michigan fully implemented Part C as Early On Michigan.

This section contains information and instructions for completing the Fiscal Year (FY) 2026 Early On application by intermediate school districts (ISDs) for coordinated early intervention services for infants and toddlers with disabilities and their families for the program year from July 1, 2025, through June 30, 2026. These funds are allocated and administered by the Michigan Department of Lifelong Education, Advancement, and Potential (MiLEAP) as the state lead agency for Early On. MiLEAP collaborates with various departments including the Michigan Department of Health and Human Services and the Michigan Department of Education in implementing the Early On system.

I-2. Purpose

Funds are provided for the following purposes:

- A. To facilitate a statewide, comprehensive, coordinated, multidisciplinary, family centered, interagency system of early intervention services to eligible infants and toddlers and their families.
- B. To facilitate the coordination of payments for early intervention services according to Early On Michigan System of Payments.
- C. To enhance the capacity to provide quality early intervention services and expand and improve existing early intervention services being provided to eligible infants and toddlers and their families through coordination of existing referral and service delivery systems.
- D. To enhance the capacity to identify, evaluate, and meet the needs of all children, including historically underrepresented populations, particularly minority, low-income, inner-city, and rural children, and infants and toddlers in foster care.
- E. To provide direct early intervention services to eligible infants and toddlers and their families when no other resources for these services are available.

I-3. Eligible Participants

Those eligible for services through this system will include infants and toddlers, birth through age two, who need early intervention services because they [20 U.S.C. 1432 (5)(A)]:

- A. Are experiencing a 20 percent or greater developmental delay (or any delay for a child up to two months old (adjusted age), as measured by appropriate diagnostic instruments and procedures in one or more of the following areas: cognitive development, physical development, communication development, social or emotional development, adaptive development; or,
- B. Have a diagnosed physical or mental condition that has a high probability of resulting in developmental delay identified within the Michigan Established Condition list.

I-4. Intent

The intent of Part C of IDEA is to coordinate early intervention services for infants and toddlers with disabilities or developmental delays, and their families. Federal statute requires each state to have a lead agency designated by the governor. In Michigan, MiLEAP

is the lead agency. Fifty-six ISDs have the responsibility of providing leadership for delivery of Early On, as outlined in the approved Early On Michigan State Plan.

The Early On Michigan State Plan includes the maintenance of Local Interagency Coordinating Councils (LICCs). LICCs mirror the mandated Michigan Interagency Coordinating Council in concept and allow for involvement of parents, agencies, organizations, and individuals necessary to develop and maintain a coordinated early intervention services system. A minimum of 20 percent of the LICC membership must be parents with children aged 12 or younger who have previously or are currently participating in Early On. LICC membership must also include representation from the local agencies responsible for county public health, community mental health, and county human services. It is strongly recommended that membership include representation from Head Start and/or Early Head Start. Additional members to consider including are representatives from local agency(ies) responsible for child care, the coordination of education of homeless children and youth, and the child welfare agency responsible for foster care.

An LICC may be organized as a stand-alone entity or may be part of an existing collaborative body. If the LICC is a standalone entity, the LICC should also have a relationship with the Great Start Collaborative/Great Start Parent Coalition to broaden community partnerships. The LICC must meet a minimum of four times per year. Support for the LICC is provided through the ISD.

LICCs are advisory to each of the participating agencies and should influence planning and policy development within each of the agencies. LICCs serve as the link between the local public and community agencies providing early intervention services to facilitate the coordination of services to children and families. Representatives for the local participating agencies should be in a position to commit their agency to the endeavors of the LICC, consistent with the agency's policies and purpose.

ISDs, as intermediate units between the state agency and local service providers, function as primary points of information dissemination and technical assistance regarding the requirements for service delivery under Part C. In addition, ISDs are accountable to the state lead agency for all requirements under Part C. Participating agencies must be kept fully informed regarding all aspects of the Early On system.

I-5. General Criteria and Additional Information

In compliance with Part C of IDEA, the following criteria must be met by all recipients of early intervention grants for direct services to eligible infants and toddlers:

- A. Early intervention services for infants and toddlers must be designed to meet developmental needs in the areas of physical, cognitive, communication, social/emotional, and adaptive development.
- B. Early intervention services must be provided at no cost except where federal or state law provides for a system of payment by families.
- C. Funds received under Part C of IDEA will be used by the local service areas to plan, develop, and implement early intervention services.
- D. Early intervention services may include, but are not limited to: assistive technology devices and services; audiology services; family training, counseling, and home visits; health services necessary to enable the infant/toddler to benefit from the early intervention services; medical services only for diagnostic or evaluation purposes; nursing services; nutrition services; occupational therapy; physical therapy; psychological services; service coordination (case management) services; sign language and cued language services; social work services; special instruction; speech-language pathology services; transportation and related costs that are necessary to enable an

infant or toddler or family to receive early intervention services; vision services; and early identification and assessment services.

- E. Local lead agencies of early intervention services may contract with others for the provision of services or other activities, as approved in the service area plan and budget. All contracted services must be directly related to development and/or implementation of the components of Part C of IDEA and must make use of statewide Early On/Part C resources as well as demonstrate collaboration with appropriate state-wide projects. Contracted services must be explained, and budget details given. Changes involving contracted services that are made after the submission of this application will require prior approval.
- F. Primary referral sources are required to make referrals for evaluation within seven calendar days after a child has been identified. Referrals are directed to the appropriate local agency for evaluations, assessments, Individualized Family Service Plans (IFSPs), and services.
- G. The initial evaluation and initial assessment of each child and family must be completed within 45 calendar days of receipt of the referral. Participation by family members in the family assessment must be voluntary.
- H. For a child that has been evaluated for the first time and determined to be eligible, a meeting to develop the initial IFSP must be conducted within 45 calendar days of receipt of the referral.
- I. Parents must be apprised of the procedural safeguards.
- J. Early intervention services must be provided by qualified personnel in accordance with the personnel standards.
- K. Early intervention services, to the maximum extent appropriate, are provided in natural environments (settings that are natural or typical for a same-aged infant or toddler without a disability), including the home and community settings in which children with no disabilities participate. If any service is provided in a setting other than a natural environment that is most appropriate, as determined by the parent and the IFSP team, justification is needed to explain why the early intervention service cannot be achieved satisfactorily in a natural environment.
- L. Early intervention services must be designed to meet the developmental needs of an infant or toddler with a disability and the needs of the family to assist appropriately in the infant's or toddler's development, as identified by the IFSP team. These services must conform with an IFSP and be offered year-round. Services may commence before the completion of the evaluation and assessments if parental consent is obtained and an interim IFSP is developed.
- M. Early On/Part C recognizes the unique and essential role that families play in the development of infants and toddlers and requires programs to provide active roles for families in the planning and provision of early intervention services.
- N. Early On/Part C requires early intervention services to include a comprehensive child find system including a system for making referrals to local lead agencies (ISDs) that includes timelines and provides for the participation of primary referral sources (physicians, NICUs, etc.). Federal timelines apply in all cases throughout Michigan. The Early On system of coordinated early intervention services must be available to all eligible infants and toddlers with disabilities or developmental delay, and their families including American Indian infants and toddlers residing on reservations, infants and toddlers who are homeless, in foster care, or wards of the state, and infants or toddlers referred under the Child Abuse Prevention and Treatment Act (CAPTA). Federal regulations for this system specifically require coordination, preventing unnecessary duplication of effort and making use of resources available, with:
 - Programs authorized under Part B of IDEA.
 - Maternal and child health program, including the Maternal, Infant, and Early Childhood Home Visiting Program, under Title V of the Social Security Act.

- Early periodic screening, diagnosis, and treatment under Title XIX of the Social Security Act.
 - Programs under the Developmental Disabilities Assistance and Bill of Rights Act of 2000.
 - Head Start Act (including Early Head Start programs under section 645A of the Head Start Act).
 - Supplemental Security Income program under Title XVI of the Social Security Act.
 - Child protection and child welfare programs, including programs administered by, and services provided through, the foster care agency and the state agency responsible for administering CAPTA.
 - Child care programs in the state.
 - Programs that provide services under the Family Violence Prevention and Services Act.
 - Early Hearing Detection and Intervention systems administered by the Centers for Disease Control; and
 - Children’s Health Insurance Program authorized under Title XXI of the Social Security Act.
- O. Use of Early On/Part C funds for direct services must be limited to early intervention services related to the child’s development which are identified on an IFSP for which no other funding is available. Part C funds may supplement existing systems or services but may not be used to supplant or replace systems or services which have previously been funded through other funding streams.
- P. Early On/Part C must comply with the Michigan Administrative Rules for Special Education, as deemed appropriate; other applicable federal and state rules; and/or standards or guidelines, as approved by MiLEAP, the State Board of Education, or other state agency in the delivery of interagency early intervention services.
- Q. MiLEAP, as lead agency for Part C, is responsible for the general administration, supervision, and monitoring of programs and activities used by the state to carry out Part C, whether or not such programs and activities are receiving assistance under Part C, to ensure compliance with the Part C regulations and the Early On Michigan State Plan.
- R. All service areas will submit Part C data as requested by MiLEAP.

II-1. Application Mechanics

Part C federal funds are distributed to ISDs as subgrants based on a funding allocation formula for the purpose of coordinating Early On for infants and toddlers. As subrecipients, ISDs are subject to all subrecipient requirements as specified in the Uniform Guidance, 2 CFR 200 and within Part C of IDEA.

ISDs often contract with other agencies for an agreed upon amount for goods and/or services rendered. All contracts must follow the rules/regulations of Uniform Guidance, 2 CFR 200.320 Methods of Procurement.

The federal hierarchy of funding dictates that the function code of 411, commonly referenced as outgoing transfers, is not allowed for Part C. Funds from the ISD to the LEAs must be through a vendor contract or agreement. The ISD must maintain documentation of the services provided and payment to the agency or school district. Services provided by agreement with local school districts should be reported as a transfer of funds using the actual function codes for the services and the 8220 object code. Local school districts should report these funds as payments for services, not as federal grant expenditures. Other partner agencies of the ISD that are not local education agencies (e.g., public health

agencies or mental health agencies), must record the expenditures as purchased services under object codes 3000 to 4000.

Only ISDs should claim Part C funds as revenue from a federal grant on the Schedule of Expenditures of Federal Awards (SEFA). Local partners are not to claim Part C funds as revenue, but as a reimbursement of costs.

II-2. Application Process

A. Next Generation Grant, Application and Cash Management (NexSys)

The FY 2026 Early On federal application for program year July 1, 2025, through June 30, 2026, will be submitted through NexSys. NexSys provides an environment for online completion, submission, approval, funding disbursement, management, and administration of grants. It provides MiLEAP the electronic resource to meet current federal technological initiatives.

B. Application Information

The NexSys Early On federal application consists of:

- Cover page – Application main and secondary contacts are entered on this page.
- Assurances and Certifications – Submission of the application requires a confirmation as an agreement to the Statement of Assurances.
- Important Information – Application information unique to the application.
- Review Grant Selections – Budget pages within the application are generated by selecting “Apply Now.”
- Budget
 - Budget Summary – Automatically generates as budget items are added and provides a budget overview. Indirect costs and contact information for the business office representative and the project contact person are entered on this page.
 - Budget Detail – This page generates from the budget items added and provides a link to those specific items. This list can also be exported to Excel.
 - Budget Items – This link brings up the page to add budget items. Choose the appropriate function code and provide a detailed description for each budget item. Follow the instructions at the top of the page to save and close or add additional budget items. Budget items may be edited or deleted on this page by clicking the appropriate button next to the function code.
 - Capital Outlay – Complete this page when the expenditure for any one item will be \$10,000 or greater.
- Program Information
 - Confirmations – Confirm agreement to the assurances and all Part C of IDEA requirements, and provide information regarding state and local maintenance of effort for Part C. Do not include State School Aid Act Section 54d funds when calculating the state and local maintenance of effort amount.
 - LICC Membership – Enter requested information for LICC members. Be sure at least 20 percent of the membership represents parents of children aged 12 or younger who currently or previously participated in Early On or another state's Part C system. An age must be provided for each parent's child. Also, ensure that the required agency (local county public health, local community mental health, and local county department of health and human services) representatives are listed and identified.
 - LICC Membership Report – This page generates a list of LICC members and provides a link to export the list to Excel.

- Service Area Plan – This page provides a description of the local system divided into ten components. Refer to the Service Area Plan Instructions document when completing this page.
- Consent of Collaboration – Enter names of collaborating members, print the page, collect original signatures, scan to create an electronic copy, and upload to the NexSys application on the Attachments page. Signatures may be obtained either in hard copy or electronically. It is permissible to upload multiple copies to provide all signatures.
- Attachments –
 - Consent of Collaboration signature page(s).
 - [GEPA section 427 form](#) is a required attachment, if last year’s form is revised. Review the GEPA section 427 form submitted with the FY 2025 Early On federal application. If the information provided on the form needs to be revised, the updated form **must** be attached to this FY 2026 application.

The GEPA section 427 form is required by Section 427 of the General Education Provisions Act (GEPA). It is a longstanding requirement and is required of the IDEA Part C application. Specifically, applicants for Part C funds must submit a description that is required by section 427 of GEPA. This description includes the steps and strategies the applicant proposes to take to ensure equitable access to, and participation in, activities conducted under Part C by addressing the special needs of children with disabilities and their families and other program beneficiaries to overcome barriers to equitable participation, including barriers based on gender, race, color, national origin, disability, and age.

Because Michigan distributes its federal IDEA Part C funds through subgrants to ISDs as the local lead agencies, MiLEAP is responsible for reviewing the description of activities to be undertaken as part of subgrantees’ applications.

- If there are participant support costs included in this application, download and complete the [Participant Support Costs Excel sheet](#) with descriptions and amounts for participant support costs for professional development (PD) or other trainings planned for FY 2026 and paid by IDEA Part C federal funds. Examples of participant support costs include registration fees, mileage, meals, and lodging. This Excel sheet is **not** required if no federal funds will support PD or other trainings.
- Prior approval is needed when including capital outlay (equipment/construction), professional development over \$10,000 per person per event, or rent in a budget within an application for Part C funds. Download and complete the [Michigan Part C Prior Approval Request form](#).

C. **NexSys Grant Application**

The Early On application under Part C of IDEA is an annual application. Approval of the application secures the FY 2026 allocation for a two-year period. If an ISD’s full allocation is not expended in the first year, funds remaining when the final expenditure report (FER) is filed will be added to the FY 2027 application budget (which covers program year from July 1, 2026, through June 30, 2027) and is reflected as “carryover.” The FY 2027 budget will combine the FY 2027 allocation and the FY 2026 carryover funds to reflect an available funds total. A budget amendment is required to plan for the expenditure of carryover funds.

D. Expenditure Period

Early On grant funds are available for a 24-month period. This means the FY 2026 funds are available from July 1, 2025, to June 30, 2027. While funds are available for 24 months, ISDs are encouraged to budget and spend the funds in the first 12 months.

E. Allowable Cost Guide

This guide assists with establishing a fiscal account for the revenue and expenditures, and to align these items with the General Accounting Standards, which are used by MiLEAP for the FER. Please refer to the [Allowable Cost Guide](#) for an explanation of account codes and allowable costs.

F. Amendments

An amendment reports programmatic or financial change. Amendments or revisions to the application may affect the budget, the service area plan, or other parts of the application. Submit an amendment for:

1. New, deleted, or substantially revised service area plan activities on an existing project component.
2. The budget when:
 - a) expenditures for any function code will be greater than a 10 percent variance above the previously approved amount.
 - b) funds are being assigned to a line item not previously approved.
 - c) adding staff/changing FTEs.
 - d) adding expenditures within a function code not previously included.
 - e) moving an amount greater than 10 percent between approved function codes; or
 - f) line-item amounts are changed that substantially affect the implementation of the service area plan.

An amendment approval may be retroactive up to July 1 of each current fiscal year provided the application was submitted in NexSys prior to the requested beginning date. It is necessary to put into writing in the amendment description any request for retroactive approval. Otherwise, an amendment approval is effective the date the amendment was submitted in NexSys.

G. Final Expenditure Report

The FY 2026 FER will be entered in NexSys. The FER states the actual project expenditures at the end of the grant year and is due 60 calendar days (August 29) from the end of the contract. If a budget amendment is needed to align the budget with actual expenditures, an application amendment must be completed and approved in NexSys before the FER is initiated. The FER must reflect funds as requested and paid. MiLEAP approval of the FER is pending any audits.

H. Fiscal Review

A fiscal review is an activity that consists of reviewing fiscal and programmatic records for IDEA Part C. This review includes analysis of contracts with other agencies. It is incumbent upon the fiscal agent (i.e., ISD) to document and monitor all funds to contracted agencies.