

Special Education Updates

October 2025

Michigan Department of Education Office of Special Education



Overview

- Allowable Cost Clarifications
- Function Code 219 (Other Pupil Services and Adaptive Physical Education)
- State Aid and Flowthrough Review Changes
- Other State Aid Reporting Updates
- Equitable Services and Proportionate Share New Resources
- NexSys Application General Update
- Individuals with Disabilities Education Act (IDEA) Flowthrough and IDEA Preschool Update
- General Supervision System Grant (GSSG) Update
- Excess Costs and Maintenance of Effort Update
- Program Finance Staffing Contact Information

Allowable Cost Clarifications

- Special Education Approved Personnel
 - If an expenditure is not in the [State Aid and IDEA Part B, Section 611 Allowable Cost Document](#), prior approval is required.
 - Personnel not listed in the allowable cost document may need to be approved through the Intermediate School District's (ISD's) Special Education Plan.
- Revamped [Special Education Prior Approval Request Form](#)

Function Code 219 (Other Pupil Services and Adaptive Physical Education)

Not a function code to report unapproved special education personnel.

Examples of approved personnel under function code 219:

- Transition coordinator
- Teacher of homebound/hospitalized
- Adaptive physical education
- Personnel who qualify under [R. 340.1792](#)
 - Services provided by personnel must be written into student's IEP.
 - Include but are not limited to:
 - Music Therapist
 - Recreation Therapist

State Aid and IDEA Flowthrough Review Changes

- More Proactive Approach
- Enhanced Review Procedures
 - ISDs/Member Districts may receive more questions as state and federal costs are reviewed.
 - Detailed descriptions on the federal application may reduce follow up questions.
 - Clarifying comments on SE-4096 may reduce follow up questions.

Other State Aid Reporting Updates

- Section 53a – Court Placed Pupils
- Section 24 – Court or MDE Department of Health and Human Services (DHHS) Placed Pupils Residing in Juvenile Detention Facility or Child Caring Institution
- Section 51a(5) – Administrative Rule Changes
 - Previously Section 51a(6)

Equitable Services and Proportionate Share New Resources

- IDEA Equitable Services and Proportionate Share Course
- IDEA Proportionate Share Allowable and Unallowable Costs
- Revised Proportionate Share Allocation Templates

NexSys Application General Update

- Reporting for Outgoing Transfers (Function 411) on the Final Expenditure Report (FER).
- Receiving a notification of Grant Funds Available does not mean an ISD has 100% Funds Available.
- Amendment justification best practices
 - Note which member districts have made changes and briefly describe change(s).

IDEA Flowthrough and IDEA Preschool Update

- 2025-26 IDEA Flowthrough (260450) and 2025-26 IDEA Preschool (260460) applications currently in review.
- 2024-25 IDEA Flowthrough (250450) and 2024-25 IDEA Preschool (250460) period of availability ends 9/30/26.
- **2023-24 IDEA Flowthrough (240450) and 2023-24 IDEA Preschool (240460) period of availability ended 9/30/25.**
 - **FER due 11/29/25.**

GSSG Update

- 2025-26 GSSG (260493) applications currently in review.
- 2024-25 GSSG (250493) period of availability ended 6/30/25.
 - **FER was due 8/29/25.**

Excess Costs and Maintenance of Effort Update

- Local Education Agency (LEA) Maintenance of Effort (MOE) Eligibility
 - In Progress
 - Reminder: MOE Eligibility must be passed before grant funds can become available for the 2025-26 federal grant applications.
- Excess Cost
 - Will launch beginning of November 2025

Program Finance Staffing Contact Information

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