



# TOP 10 REASONS WHY YOUR DISTRICT LOSES FTE/FOUNDATION ALLOWANCE REVENUE

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# TOP 10

- 1. Attendance
- 2. Alpha List Problems
- 3. Part-time and Reduced Schedule Pupils
- 4. Teacher Certification
- 5. Schedules, Age, & Residency
- 6. Postsecondary
- 7. Special Education
- 8. Homebound, Homebased or Hospitalized
- 9. Virtual Learning
- 10. Experiential Learning



# 1

- ATTENDANCE

# ATTENDANCE

S1 Absence - 30 Day

S2 Absence - 10 Day

S3 Absent - Before  
Count Day, No  
Return

S4 Attendance - FTE  
adjusted for classes  
attended



# ATTENDANCE

- Attendance Reasons
  - Method used to report attendance in SIS (i.e., positive attendance)
  - Teachers who do not take attendance
  - Lack of documentation



# ATTENDANCE

- SAFEGUARDS & STRATEGIES
  - Run attendance report on count day to see who is absent from what class and track return dates.
  - Adjust FTE reported based on schedule and classes attended by 10/30 - day rule.
  - Make sure you have excused absence documentation for those excused on count day.
  - Require teachers to take attendance.



#2

- ALPHA LIST PROBLEMS



# ALPHA LIST PROBLEMS

S9	Alpha Roster - Pupils not on list but eligible
S8	Duplicate Pupil Count





# ALPHA LIST PROBLEMS

- Alpha List Reasons
  - District student information system (SIS) alpha list does not match MSDS alpha list.
  - Drop/add lists include pupils who have not been added or subtracted to/from the district SIS or MSDS alpha list.



# ALPHA LIST PROBLEMS

- SAFEGUARDS & STRATEGIES
  - Review class lists and compare to SIS alpha roster and MSDS alpha roster to make sure the rosters included all pupils eligible and dropped those not eligible.
  - Follow-up on pupils with zero FTE.
    - Use MSDS Alpha for Download
  - Review drop/add list and compare to class lists.



#3

- PART-TIME AND REDUCED SCHEDULE PUPILS



# PART-TIME AND REDUCED SCHEDULE PUPILS

S38	Part-Time Pupils – FTE
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S39	Part-Time Pupils - Other
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S42	Reduced Schedule – Educational Interest
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S43	Reduced Schedule – Documentation
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S44	Reduced Schedule - Other
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# PART-TIME AND REDUCED SCHEDULE PUPILS

## Part-time Reasons

- Correct calculation of FTE: Pupil was claimed for FTE greater than hours of instruction scheduled/provided.
- Documentation was incomplete.
- Pupil was claimed by more than one district.

## Reduced Schedule

- Student did not need a full schedule to graduate.
- Reason is not in best educational interest (work to buy a bike).
- Medical reason not documented by medical personnel for students with an IEP.



# PART-TIME AND REDUCED SCHEDULE PUPILS

- SAFEGUARDS & STRATEGIES
  - Pupil claimed for FTE greater than hours of instruction scheduled/provided – similar to “attendance” issue.
  - Review schedule and classes attended, adjust FTE accordingly.
  - If applicable, split part-time FTE accordingly between the districts/programs based on schedule and hours of instruction.
  - Verify the pupil did not participate as a shared-time pupil.
  - Does student meet requirements for reduced schedule?
    - Student with IEP and documented medical or emotional reason.
    - High schooler (9-12) with written request that is deemed in best educational interest of student and attending 80% of instructional hours (878.4 hours for 6-hour school day).





#4

- TEACHER CERTIFICATION





# TEACHER CERTIFICATION

S82

Certified Teacher  
Violation



# TEACHER CERTIFICATION

- Teacher Certification Reasons
  - Grade level endorsement (applicable for 2023-2024)
  - Subject level endorsement (applicable beginning with 2024-2025)
  - Properly permitted
  - Timely permitted (permits are not retroactive): Teacher must be permitted before beginning a teaching assignment.
  - Teachers or substitute teachers are not reported in the REP.



# TEACHER CERTIFICATION

- SAFEGUARDS & STRATEGIES

- Work with HR to verify all teachers are currently certified, grade level and subject matter.
- Verify teacher is reported in MOECS (subs too).
- Make sure all teachers and substitute teachers are reported in REP.
- Verify teacher is teaching course certified to teach.
- Verify all teachers of record are certified in grade level and subject matter.
  - Use MSDS Teacher Credential Verification report.



#5

- SCHEDULES, AGE, & RESIDENCY -  
housekeeping

# SCHEDULES, AGE, & RESIDENCY

S11	Pupil Schedule
S12	Minimum Age (<5 by December 1)
S13	Age - under age 20 by September 1
S22	Residency Requirements
S23	Nonresident Pupil - Waiver/Release
S46	Schools of Choice - Other



# SCHEDULES, AGE, & RESIDENCY

- Housekeeping Reasons
  - Wrong date of birth
  - Schedules were not updated for what was in place on count day
  - Incomplete schedules
  - Placeholders
  - Incorrect residency codes
  - Missing or improper release/schools of choice applications





# SCHEDULES, AGE, & RESIDENCY

- SAFEGUARDS & STRATEGIES
  - Review enrollment paperwork to verify date of birth.
  - Review and verify pupil schedules.
    - Are all classes listed, including dual enrollment?
    - Run less than full schedule reports in SIS.
    - Run reports looking for placeholder classes.
  - Verify residency codes are correct.
  - Verify residency documentation is correct for non-residents.
    - Approved application within the schools of choice window
    - Release is on file





#6

- POSTSECONDARY

## POSTSECONDARY

S40	Postsecondary Enrollment – Payment of Charges
S41	Postsecondary Enrollment - Other
S84	Early Middle College - >1.0 FTE



# POSTSECONDARY

- Postsecondary Reasons
  - Pupil not enrolled in grade 9-12.
  - Eligible charges are not paid by the district.
  - Postsecondary classes are reported on pupil schedule as placeholders.
  - Pupil's number of courses exceeded maximum allowable.
- Early Middle College Reasons
  - Pupil was not reported with 3500 code by Fall semester of junior year.
  - Criteria was not met to allow greater than 1.0 FTE.



# POSTSECONDARY

- SAFEGUARDS & STRATEGIES
  - Postsecondary course must be on pupil schedule and cannot be reported as a place holder.
  - School district must pay for the postsecondary course.
  - EMC qualify for extra FTE if EMC program pupil was coded as 3500 by 11<sup>th</sup> grade, and pupil will graduate in less than 5 years from high school and earn 60 college credits/associates degree. Review plan and transcript to verify.



#7

- SPECIAL EDUCATION

# SPECIAL EDUCATION

S47	Special Education Early Childhood – Service
S48	Special Ed Early Childhood - Other
S20	Special Ed - Wrong Category





# SPECIAL EDUCATION

- Special Education Reasons
  - A general finding should be issued when FTE split does not match Worksheets A & B.
  - A specific finding should be issued when FTE split is not correct between General Education and Special Education.
  - Reduced schedule special ed students did not have a documented IEP or note from an allowable medical professional.
- Special Education Early Childhood Reasons
  - Scheduling was inaccurate for the type of special education program.
    - 1862 – 72 hours during calendar year
    - 1755 – 72 hours during school year
  - Instruction not provided by approved ECSE teacher or staff supervised by approved ECSE teacher.





# SPECIAL EDUCATION

- SAFEGUARDS & STRATEGIES
  - Make sure Special Ed A/B worksheet FTE matches FTE reported in MSDS. Check against IEPs. Make sure GE/SE FTE split correctly.
  - Make sure pupil reported in the correct SE program (not disability code, but program code).
  - For Special Ed ECSE make sure attendance matches FTE claimed.
  - ECSE 1755/1862 Service Program
    - Verify there are 72 hours scheduled in a school year for 1755 and in the calendar year for 1862.
    - Verify the certified teacher signed the service log.



#8

- HOMEBOUND, HOSPITALIZED, OR HOME-BASED



# HOMEBOUND, HOSPITALIZED, OR HOME-BASED

S28	Home-Based – Record of Service
S29	Home-Based – Hours of Instruction by Certified Teacher
S30	Home-Based – Prorated FTE
S31	Home-Based - Other
S32	Homebound/Hospitalized - Service
S33	Homebound/Hospitalized - Hours of Instruction
S34	Homebound/Hospitalized - Physician's Certification
S35	Homebound/Hospitalized - Other
S51	Suspended and Expelled - Other



# HOMEBOUND, HOSPITALIZED, OR HOME-BASED

- Homebound, home-based, or hospitalized reasons
  - Documentation did not include a statement from a qualified medical professional.
  - Weekly contacts were not met.
  - Excused absence documentation was not provided.
  - FTE calculation was incorrect.
  - Special Ed weekly contacts allow no proration.



# HOMEBOUND, HOSPITALIZED, OR HOME-BASED

- SAFEGUARDS & STRATEGIES
- Verify 2 weekly contacts with teacher (2-1 hour for pupils with IEPs with 30-minute break, 2–45-minute contacts for general ed pupils).
- If pupil misses, must be excused absence signed by parent.
  - Student with IEP will need deviation from OSE if services are missed.
- If homebound/hospitalized, need doctor's statement.
- If home-based, 2-1-hour weekly contacts with teacher and mandatory expulsion by statute (weapons, arson, CSC, bomb threat) eligible for 1.0 FTE but if local district suspension/expulsion (drugs) then FTE prorated.



#9

- VIRTUAL LEARNING



# VIRTUAL LEARNING

\$53	Virtual Courses – Mentor
\$54	Virtual Courses – Costs
\$55	Virtual Courses – Attendance
\$56	Virtual Courses or Distance Learning – Other





# VIRTUAL LEARNING

- Virtual Learning Reasons
  - There was a lack of two-way communication between teacher/mentor and pupil.
  - Interactions were not course content or course progress related.
  - Teacher or mentor was not employed by the district and did not meet one of the allowable exceptions.
  - Mass email was sent to a group of pupils with no additional individual communication between individual pupil and teacher/mentor.
  - Class was not on the pupil's schedule.
  - Appropriately placed teacher of record was not assigned to each pupil's class.
- Auditor Note: Seat Time Waivers have been discontinued, please ensure you use the S85 Virtual Learning 2-way finding.




# VIRTUAL LEARNING

- SAFEGUARDS & STRATEGIES
  - 2- way interaction between pupil and teacher/mentor was not recorded for all 4 weeks of the count period (Wed-Tues).
  - 2- way interaction does not reflect course content or course progress.
  - Teacher/mentor was not assigned to student or employed by district.
  - Teacher/mentor sent a mass email and didn't close loop with each virtual learning pupil.
  - District did not pay for virtual learning course.



#10

- EXPERIENTIAL LEARNING PUPILS



# EXPERIENTIAL LEARNING PUPILS

S63	Experiential Learning Courses - Other
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# EXPERIENTIAL LEARNING PUPILS

- Experiential Learning Reasons
  - Teacher is concurrently teaching another course.
  - Attendance was not taken for both the experience and classroom instruction.
  - EDP was not in place.
  - Course not identified on student's schedule.



# EXPERIENTIAL LEARNING PUPILS

- SAFEGUARDS & STRATEGIES
  - Verify teacher is not teaching two courses at the same time (experiential learning course and another course).
  - Ensure attendance is taken in both the classroom and during the direct experience.
  - Verify student has an EDP on file.
  - Course cannot be a placeholder on student's schedule (ie. Experiential Learning). Should say Teacher Cadet Experiential Learning.
  - Only one experience allowed per semester or term.





# RESOURCES

- [Pupil Accounting Manual](#)
- [Pupil Auditing Manual](#)
- [MDE Pupil Accounting website](#)
- [MDE - Educator Services](#)





# QUESTIONS AND CONTACTS

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