

AUTHORITY: Act 94, PA 1979 as amended.
COMPLETION: Required for a district to collect state categorical aid.

Direct questions regarding this form to Program Finance at (517) 241-1235.

**2012-13 LOCAL AND INTERMEDIATE DISTRICT
SPECIAL EDUCATION ACTUAL COST REPORT
AND SUPPLEMENTAL PROGRAM SCHEDULES**

EDUCATIONAL AGENCY	Legal Name of School District	District Code No.	Telephone - Area Code/Local No.
	Address	City	Zip Code

MAILING INSTRUCTIONS:

DISTRICT: Return ORIGINAL and ONE copy by September 16, 2013 to the intermediate district. Retain ONE copy.

ISD: Review the form and return ORIGINAL by **September 30, 2013** to the STATE address above. Retain ONE copy for your records. **Failure to return the form by September 30 will result in the withholding of the district's ENTIRE state aid payment.**

Districts that do not operate any special education programs or services, check this Box , sign and return this page to the ISD.

INSTRUCTIONS:

1. Every school district operating a special education program must file a certification page and a page 2, "Summary of Special Education Expenditures." Total allowable expenditures for special education reported on page 2 must agree with the official accounting records of the school district.

File this form by the above due date. **If later audited figures change the data reported for a program, file an amended report immediately.**

2. Please review the enclosed instructions before completing the form.

3. School districts expending federal funds for special education will report them on page 2 ONLY.

4. Every school district operating a special education program must file a SE-4096 page 3. The page 3 must be marked as Section 52. Page 3 will be used for the distribution of funds under Section 51a and Section 51c, as well as, for monitoring and program fiscal reviews.

5. Every school district that operates a program for Section 53a eligible pupils as defined in the instructions must file a separate SE-4096 page 3. The page 3 must be marked as Section 53a. Page 3 will be used for distribution of Section 53a funds, as well as, for monitoring and program fiscal reviews.

6. School districts operating both Section 52 and Section 53a programs must file a separate SE-4096 page 3 form for each program.

7. **For 2012-13, school districts or intermediate districts who employed itinerant staff whose staff positions in 2003-04 were in another school district or intermediate district must complete page 4. A separate page 4 must be completed for each district where the itinerant staff were employed in 2003-04.**

CERTIFICATION: I certify that the information submitted on this report is true and correct to the best of my knowledge. This report was prepared in cooperation with the business staff and the costs reported are proper charges to special education. All records and schedules (including time reports supporting proration of personnel) used in the preparation of this report will be kept for three years for audit purposes.

Date _____ Superintendent or Authorized Official _____ (Signature)

Contact Person _____ Telephone _____ Area Code/Local No.

Email Address _____

SPECIAL EDUCATION ACTUAL COST REPORT
(July 1, 2012 through June 30, 2013)

Section 51a(7)(b) Worksheet

District Name _____ District Code _____

District Name Who Employed Personnel in 2003-04 _____ District Code _____

Funding Source (Check ONE)		PERSONNEL		List personnel in school year full time equivalency, pro-rate to tenths (.0). Refer to the attached "Special Education List of Allowable Expenditures" for a description of reimbursable items by function and object codes.						
		Profes- sional	Reimb. Aides	Salaries 1000	Benefits 2000	Purch Serv Staff 31xx	Purch Serv Non Staff 3xxx-4xxx	Supplies and Matls. 5000	Other Expend. 7000	TOTAL
ITINERANT SERVICES		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(9)	(10)
1	213	Health Serv								
2	214	Psychological								
3	215	Spch & Audiol								
4	216	Social Work								
5	217	Visual Aid								
6	218	TC/Ment Imp								
7	218	TC/Emot Imp								
8	218	TC/Learn Disab								
9	218	TC/Hear Imp								
10	218	TC/Visually Imp								
11	218	TC/POHI								
12	218	TC/Autistic Imp								
13	219	Physical Educ								
14	219	Other Pup Sup								
15	221	Improve of Instr								
16	226	Superv/Direction								
17	241	Sch Principal								
18	TOTAL ITINERANT STAFF COST									

* Note - Column 8 - Capital Outlay is eliminated from this page as it is not applicable.

Section 53a Allocation Verification for 2012-13

District: _____ Code No.: _____

I. Section 53a Riders

To claim Section 53a transportation costs on the SE-4096 list the names of the pupils claimed as Section 53a for the regular year. **List the bus number of the vehicle ridden by each pupil from the SE-4107, School Bus Inventory Report. This must match the number of riders claimed on the SE-4094 Transportation Expenditure Report. Also, attach a copy of the SE-4094 to verify expenditures.**

2012-13 Riders

Bus # Ridden

INSTRUCTIONS FOR COMPLETING FORM SE-4096 2012-13 SPECIAL EDUCATION ACTUAL COST REPORT

Introduction

All Local and Intermediate School Districts (public school academies report as a local school district) that employ or contract special education personnel are required to complete this form to qualify for state special education categorical aid. Local districts that do not operate any special education programs and/or services complete page 1 only by checking the box provided.

NEW for the 2012-13 school year:

Beginning with the 2012-13 school year, the Office of Special Education will compare the costs reported by program on the SE-4096 Special Education Actual Cost Report with the membership reported by the local districts, public school academies and intermediate school districts on the October 2012 Audited Pupil Membership Report. It is expected that if the district is reporting costs in a particular special education program, that there should be a corresponding FTE membership reported on the DS-4120 Audited Membership Report. Districts will be asked to explain any discrepancies between the two reports.

Continuing highlights for the 2012-13 school year:

Continuing for the 2012-13 reporting year, districts are required to break out expenditures coded under object codes 31xx from the remaining purchased services expenditures coded under 3xxx-4xxx. Purchased services coded under object codes 31xx are to be reported in column 5 on page 3 for both Section 52 and Section 53. The remaining purchased services are to be reported in column 6 on page 3 under both Section 52 and Section 53.

Allowable expenditures to be recorded in column 5 would include:

3110 – contracted special education instruction staff (PSA and ISD only)
3110 – substitute teacher or aides contracted from a third party entity

3120 – employee training and development services performed by personnel qualified to assist district staff in performing their duties more efficiently (use with function codes 221 and 283 only)

3130 – professional technical (contracted audiologist, medical service, psychologist or other student service (reported under the appropriate function code)

3160 – contracted data processing services for central registry only from a nonschool third party entity (use with function code 284 only)

3170 – tuition for the Michigan Schools for the Deaf and Blind (use with function code 431 only and only for ISDs)

3170 – hearing office and mediation fees (use with function code 231)

3190 – other professional/technical services for staff not provided under employee benefits

Refer to the Allowable Cost Guide for State Aid and IDEA Part B, Section 611 for further information.

Continuing reporting requirements for the 2012-13 school year:

1. Section 51a(7)(b) reads as follows:

(b) Beginning with the 2004-2005 fiscal year, a district or intermediate district that employed special education support services staff to provide special education support services in 2003-2004 or in a subsequent fiscal year and that in a fiscal year after 2003-2004 receives the same type of support services from another district or intermediate district shall report the cost of those support services for special education reimbursement purposes under this act. This subdivision does not prohibit the transfer of special education classroom teachers and special education classroom aides if the pupils counted in membership associated with those special education classroom teachers and special education classroom aides are transferred and counted in membership in the other district or intermediate district in conjunction with the transfer of those teachers and aides.

This requires that itinerant staff who were employed in one district in 2003-04 and for 2012-13 are employed in another district because of a position transfer have their associated costs reported back to the district where they were employed in 2003-04 for state aid payment purposes.

To accomplish this, the 2012-13 employing district will report the cost for the itinerant staff on page 3 and then will use page 4 to assign the cost and appropriate staff back to the 2003-04 employing district. These costs will be deducted from the 2011-12 employing district's SE-4096 on page 2. The Department will add the appropriate costs to the 2003-04 employing district's SE-4096 as a part of the State level review (see the instructions for completing page 4).

2. **Section 18 of the State School Aid Act requires each district and intermediate district to submit the SE-4096 Special Education Actual Cost Report by September 30, 2013. Failure to submit the report to the Office of Special Education by September 30 will result in the withholding of the district, public school academy or intermediate district's entire state aid beginning with the next payment due the entity.**
3. District's showing more expenditures attributed to IDEA flowthrough accounts than the amount of grant funds, shall place the excess expenditures under Section 52. Excess amounts are to be apportioned back to the appropriate object code (i.e.; salaries, purchased services or supplies). These amounts **are not** to be placed under the Other Expenses column. Excess expenditures from transition grants **may not** be reported on the SE-4096 report.
4. Aides are reported on the SE-4096 Special Education Actual Cost Report for the amount of time that they spend working in special education. All aides working solely in special education are required to be reported on the SE-4096 Special Education Actual Cost Report by the classroom program assignment, not by pupil disability. Line 1 of the SE-4096 has been titled "LRE Classroom Aides." This line is used to report all individual pupil aides assigned by an IEP to work with a special education pupil in regular education and all Least Restrictive Environment (LRE) aides assigned to a building under the direction and supervision of a special education "LRE team." **Transportation aides are not reported on the SE-4096 Special Education Actual Cost Report, but instead are reported on the SE-4094 Transportation Expenditure Report.**
5. Funds transferred to the Michigan Jobs Commission (MRS) for the initiation of a cooperative agreement that is written consistent with the joint agreement between the Office of Special Education and the Michigan Jobs Commission will qualify for state aid. Attach a copy of the agreement for the 2012-13 year showing the school district will be receiving a dollar in special education services for every dollar transferred to MRS. **These costs are reported under function code 410 and object code 8900 and should be placed on line 40–Board of Education/ Adjustment in column 8.**

6. Instructional supplies may not be reported in a lump sum to any of the administrative functions (line 33–Supervision and Direction, and line 34–School Principal). Instructional supplies **ONLY** need to be prorated to the appropriate program line on a direct usage basis. **Office and administrative supplies continue to be ineligible.**
7. Districts are required to keep documentation to verify all amounts recorded as journal entries charged to supplies or purchased services on the SE-4096. Such documentation shall be submitted to the Department upon request. Lack of documentation will result in the disallowance of these costs.

General Instructions

1. The SE-4096 shall report costs for the school year July 1 to June 30.
2. Record all amounts of money to the **nearest dollar**.
3. The general classification of objects and expenditures are those which are found in Bulletin 1022, the Accounting Manual for school districts. The specific items which have been approved for special education reimbursement are shown in the Allowable Cost Guide for State Aid and IDEA Part B, Section 611 revised June 2013 which is attached to this form. Additional copies are available on the Office of Special Education, Program Finance website.

http://www.michigan.gov/mde/0,4615,7-140-6530_6598_8391-287356--00.html

Items not listed in this chart are not to be included on the SE-4096 without prior Department approval.

4. The objects of expenditure should be assigned to the program for which the service or supply was acquired on a direct charge basis wherever possible, or by a method of allocation which will provide a reasonable distribution of costs. The allocations once determined should be posted to the program accounts and adjusted from the account in which the original charge was made. Documentation of allocations and prorations must be maintained for audit purposes and submitted to the Department upon request.

Recording Costs

Interpretation II-009, "Steps for Setting Up Accounts, Recording, and Reporting Special Education Expenses for the Special Education Final Cost Report (SE-4096) and the Final Expenditure Report (DS-4044) for Federal Grants" dated March, 2002, has been sent to all districts. Persons completing this form for the first time may wish to read that publication. This publication is available upon request from the Office of Special Education.

General Accounting Information

1. *Early Retirement Incentive Payments*

These include: (a) lump sum payments, (b) retirement incentive payments spread over the following year, and (c) the purchase of annuities as a retirement. These incentives **do not** qualify for state categorical reimbursement. The early retirement incentive payment plan is developed for the convenience of the school district and is not directly related to providing services to pupils with disabilities.

Stipends or prepaid insurance for personnel who retire early **do not** qualify for categorical reimbursement. These payments are made as an incentive for personnel to

retire early and are not part of the ordinary fringe benefits and operational costs of the district.

Payment of unused sick leave is reimbursable to the extent that the sick leave was accrued during service to the categorical program. For example, if an employee worked five years in a general education program and five years in a special education program, the split in the reimbursement for unused sick leave should be 50 percent to each.

2. *Expenditure for Repair and Maintenance*

Costs for repair or replacement of items such as carpeting, copy machines, windows, and lavatories are reimbursed as a part of the district's indirect rate. If the district is eligible and chooses to claim direct operation and maintenance for a building, these costs may be included as part of the direct operation and maintenance. Direct operation and maintenance costs plus indirect costs cannot exceed 15 percent of direct costs as specified in Section 51a(7)(a) of the State School Aid Act. District's wishing to claim direct operation and maintenance should contact the Office of Special Education for assistance.

3. *Lease Purchase and Rent*

Lease purchase of facilities and rent of facilities **are not** reimbursable.

4. *Refunds*

These are a credit against the year in which the refund is received for the purpose of calculation of costs on this form.

5. *Tuition Reimbursement*

These costs coded under object code 2310 for employees to return to higher education to complete degree requirements **are not** reimbursable as a necessary cost of special education under state school aid.

Detailed Instructions for Form SE-4096, Page 2

Line 1a. Enter here the total amount of allowable expenditures for Section 52 programs. This total must agree with the total amount on the Section 52 page 3, line 46, column 10.

Line 1b. Enter here the total amount of allowable expenditures for Section 52 itinerant staff who were employed in another district in 2003-04 and transferred to your district in 2012-13. This total must agree with the total amount on the Section 52 page 4, line 20, column 10. If the district uses more than one page 4, sum all the amounts from line 20 and enter here.

Line 1c. Enter here the Section 52 reimbursable expenditures for special education. This is the total from line 1a minus line 1b.

Line 1d. This line will be completed by the Department. This line is used to add the itinerant staff costs back to the district where the staff was employed in 2003-04.

Line 1e. Enter here the total reimbursable Section 52 expenditures.

Line 2a. Enter here the total amount of allowable expenditures for Section 53a programs. This total must agree with the total amount on the Section 53a page 3, line 46, column 10.

Line 2b. Enter here the total amount of allowable expenditures for Section 53a itinerant staff who were employed in another district in 2003-04 and transferred to your district in 2012-13. This total must agree with the total amount on the Section 53a page 4, line 18, column 10. If the district uses more than one page 4, sum all the amounts from line 18 and enter here.

Line 2c. Enter here the Section 53a reimbursable expenditures for special education. This is the total from line 2a minus line 2b.

Line 2d. This line will be completed by the Department. This line is used to add the itinerant staff costs back to the district where the staff was employed in 2003-04.

Line 2e. Enter here the total reimbursable Section 53a expenditures.

Line 3. Both local and intermediate districts must enter the total of allowable expenditures that each entity expended from other state and federal sources. These sources include all Individuals with Disabilities Education Act (IDEA) grants, Section 51a(6), and direct federal grants. These expenditures must be listed by funding source.

IDEA funds must be recorded in a segregated account. If a district's accounting records show more expenditures attributed to IDEA Flowthrough than the amount of grant funds, reallocate the excess expenditures to the Section 52 program. Costs allocated to Section 52 must be accounted for by the appropriate object code. **Do not place these amounts in the Other Expenses column.** Only costs in excess of federal revenue approved in the IDEA grant application may be included on page 3. The total claimed on the DS-4044 Federal Final Cost Report and the Section 52 page of the SE-4096 cannot exceed the approved IDEA budget. **Expenditures in excess of the grant award under Transition Services are ineligible to be reported on page 3 of the SE-4096.**

If a district's accounting records show less expenditures for an IDEA Flowthrough project than the funding received, examine the Section 52 expenditures carefully to determine if any of these Section 52 expenditures can legitimately be reallocated to the grant consistent with the approved grant application. If not, local districts must return the excess federal funds to the intermediate school district. Intermediate districts must return excess funds to the state.

Explanation of Expenditures on Line 3. Please list the source and amount of funds shown on line 3. Sources may be IDEA grants, Section 51a(6), or direct funded federal projects.

Line 4. Enter here the total allowable expenditures for special education. This is the total of lines 1e, 2e, and 3 and must be reconcilable to your accounting records.

Detailed Instructions for Form SE-4096, Page 3

1. Enter the name of the district and the five digit district code for your district on the worksheet.
2. Make extra copies of the form for worksheets as needed. Check the funding source. **You will need to complete a separate page 3 for Section 52 and Section 53a expenditures.**
3. Include all eligible special education expenditures not reported elsewhere. **Do not include any expenditures for Section 51a(6) or federal grants identified on page 2, line 3 on this page.**
4. Column 1/Professionals. Enter the number of full time equivalency (FTE) special education approved professional personnel hired by the district. The FTE positions should be reported to the **nearest tenth (0.0)**. **If no personnel are reported, but there are costs, attach an explanation.** Local districts, public school academies and intermediate school districts who contract with a third party entity for staff other than substitute teachers or aides must also complete this column.
5. Column 2/Aides. Enter the FTE aides that qualify for reimbursement and for whom salaries are included in the salaries column. Aides qualify for reimbursement for the to the extent they spend time working in special education.

Do not include the FTEs for program assistants, interpreters, or secretaries in the aides column. The salaries for program assistants and interpreters are reimbursable to the extent that they spend time working in special education. Secretaries are required to work their full employment with the district in special education to be reported for reimbursement. However, they are not considered aides and the FTEs are not to be listed in this column.

Health care aides serving an occupational therapist, physical therapist or school nurse should be reported on line 17, function 213. All other aides must be reported by program assignment (classroom) of the pupil to the nearest tenth (0.0).

Please note for aides with a split assignment that a Personnel Activity Report (PAR) must be completed. Such PARs are subject to review by the Office of Special Education. Refer to http://michigan.gov/documents/mde/Funding_Spec_Ed_Paras_381692_7.pdf

6. Columns 3 through 9/Expenses. Enter the cost information on the appropriate function lines and in the appropriate object code column—salaries, benefits, purchased services-staff, purchased services-non staff, supplies and materials, etc.

The salaries column (column 3) does not include costs for severance or termination payments or other special payments under object code 17xx. Such payments are not costs necessary for the provision of special education programs and services.

The benefits column (column 4) only includes those employee benefits in the 2100 series—insurances, 2800 series—mandatory coverages and those under 2920 (refer to Allowable Cost Guide for State Aid and IDEA Part B, Section 611). **Tuition reimbursement** is NOT an allowable benefit for reimbursement.

Purchased services-staff is for the 2012-13 year (column 5) only includes costs for staff contracted from a third party entity. A third party entity is NOT another Michigan public school district, public school academy or intermediate district. Costs in this column are coded under object codes 31xx. (See page one of the instructions.)

Purchased services non-staff (column 6) is for all other allowable expenditures coded under object codes 3xxx-4xxx. Refer to the Allowable Cost Guide for State Aid and IDEA Part B, Section 611.

Capital Outlay (column 8) continues to be for instructional items only with a single purchase price of \$1,000 or more. Classroom capital outlay purchases are reported on line 16. Purchases for support personnel are reported on line 37. A list detailing **all** capital outlay expenditures **must** be attached to the report.

Other Expenditures (column 9) includes ONLY costs for dues and fees to professional organizations, as well as, the costs for criminal background checks on instructional staff.

Tuition payments, service billings and contracted services between school districts are not allowable costs. Billings between districts for itinerant staff costs are not allowable costs. The operating district will claim state special education categorical aid and deduct it from the cost before billing the contracting district.

7. Column 10/TOTAL. Enter the line totals of columns.
8. Line 15. Enter the special education costs for programs approved by the Department and operated on the grounds of a juvenile detention facility or child caring institution funded under Section 24 of the State School Aid Act. The amount on this line must agree with the total Section 52 cost reported and approved on the SE-4824 form for Section 52 and the total Section 53a cost reported and approved on the SE-4824 form for Section 53a.
9. Line 16. Enter subtotals for all columns for instructional services (lines 1-15). Enter capital outlay purchases used in classrooms on this line. This total for capital outlay will be carried forward to line 41.

10. Line 37. Enter subtotals for all columns for instructional and non-instructional support services (lines 17-36). Enter capital outlay purchases used by support staff on this line. This total for capital outlay will be carried forward to line 41.
11. Line 38. Subtotal of line 16 plus line 37 **minus** capital outlay totals.
12. Line 39/Indirect Costs. Enter the state assigned special education indirect cost rate. Multiply the approved rate times the total direct costs on line 38 and enter the product on this line in column 9 and column 10. **If the special education indirect rate is not known, contact your intermediate school district, or refer to the MDE State Aid and School Finance website.** http://www.michigan.gov/mde/0,1607,7-140-6530_6605-118785--,00.html. Indirect cost rates are your district's rate or 15 percent, whichever is less.
13. Line 40/Board of Education/Adjustments. Enter allowable costs related to special education hearings other than school attorney fees. This line will also be used by the Office of Special Education to make any necessary adjustments to the report and is used to report funds transferred to MRS as described on page 2 of the instructions. This line is also used to report unemployment costs to the extent the individual was employed in special education.
14. Line 41/Capital Outlay. Enter the total amount from line 16 plus line 37. This amount includes only single pieces of equipment costing \$1,000 or more. It is limited to items used solely for instruction of special education pupils. Equipment purchased for use of individual pupil instruction or to provide access to education (wheelchairs, group hearing devices, etc.) may also be included. Refer to the Allowable Cost Guide for State Aid and IDEA Part B, Section 619.

Items, such as desks and movie projectors, are considered standard equipment for regular education classrooms and are not reimbursable.

An itemized list of equipment claimed on this line must accompany the SE-4096. The list must identify the item, cost, and the purpose or use if not obvious.

15. Line 42/Direct Operation and Maintenance. This is limited to programs that are in separate facilities used solely for special education pupils. Districts with an indirect rate of 15 percent or more do not qualify. To be considered for reimbursement, a schedule detailing the costs upon which the direct operation and maintenance is being calculated must be included with the SE-4096. This consists of those activities concerned with keeping the physical plant open, comfortable and safe for use, and keeping the grounds, buildings and equipment in an effective working condition and state of repair. This includes activities of maintaining safety in buildings, on the grounds, and in the vicinity of schools. All utility expenditures such as electricity, heating (metered or bulk supply), water and sewage waste and trash disposal, and telephone charges are also included under this function. Building security is included under this function. More information, including an example, is available upon request from the Office of Special Education.

Enter the amount of direct operation and maintenance costs eligible to be charged. The combined total of the indirect cost and the direct operation and maintenance costs cannot exceed 15 percent of district program costs. Attach worksheets showing details of the calculations.

16. Line 43/Pupil Transportation. (**Section 53a only**) See page 9 of the instructions.
17. Line 44/Tuition MSD. (INTERMEDIATE SCHOOL DISTRICT ONLY) **Enter the total preliminary tuition for pupils attending the Michigan School for the Deaf. The Department will adjust this figure when the final tuition billings are complete in October.**
18. Line 45/Subtotal. Enter the subtotal for lines 39 through 44.
19. Line 46/Total Cost. Add line 38 to line 45 and put the total here.

Detailed Instructions for Section 53a Reimbursement

Pupil Eligibility – only complete this section if:

1. Section 53a pupils were reported on the special education page of the “2012-13 Pupil Membership Count,” form DS-4061 for the October 2012 count (**do not complete for pupils counted as Section 53a on the February 2013 count date**); or
2. Section 53a Transportation costs were reported on the “Transportation Expenditure Report,” form SE-4094; or
3. The Department has provided written approval to charge a unique cost for a ward of the state. A copy of the approval must accompany the SE-4096.

Eligible Costs

1. The number of pupils enrolled on the October pupil count (DS-4061) will be the basis for calculating Section 53a program costs.
2. As indicated in Section 53a(2) of the State School Aid Act, “only those costs that are clearly and directly attributable to educational programs for pupils described in subsection (1), and that would not have been incurred if the pupils were not being educated in the district or intermediate district, shall be reimbursed under this section.” 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, transportation supervisors and clerical staff, cost of operating the bus garage and other administrative costs normally incurred by the district are not chargeable to Section 53a. **Program costs that are reimbursed by federal funds are not to be charged to Section 53a.**
3. Reimbursement for classroom programs and supportive services will be calculated based on the proportion of Section 53a pupils enrolled in the program or service, based on the number of pupils and costs for the total program. This is not calculated on a single classroom basis.

For example, a district operating an emotional impairment program has one Section 53a pupil out of a total of 10 enrolled in the program. In this case, 90 percent of the cost will be attributed to Section 52 and 10 percent to Section 53a. The program cost is \$40,000. Ninety percent or \$36,000 is reported as a Section 52 program cost for emotional impairment and the remaining \$4,000 is reported as a Section 53a emotional impairment program cost.

The district’s one Section 53a emotional impairment pupil also receives speech. The district provided speech and language services to 100 pupils. Therefore, the district may bill 1 percent of the speech program cost to Section 53a and the other 99 percent to Section 52.

4. Costs unique to services for Section 53a pupils may be added to the proportion of costs billed to Section 53a provided there is a detailed explanation of the costs and the district has written prior approval from the Department. These include the costs of a special communicative device for pupils or for capital outlay equipment that is used totally by the Section 53a pupil and is not available to other pupils in the district. Capital outlay costs for items which are used by the total program **cannot** be prorated to Section 53a since these costs are not unique to programming for court or state agency placed pupils. Direct cost for aides assigned to Section 53a pupils, as well as, administrative and consultative staff assigned to institutions and nursing homes require written prior approval to be charged to Section 53a.

Section 53a Transportation

Only costs associated with Section 53a pupils receiving "specialized transportation services" qualify. Specialized transportation services means transportation services provided in vehicles for the exclusive use of special education pupils (R388.371).

1. To claim transportation costs under Section 53a, the district must send the information listed below to the Department with the Actual Cost Report (SE-4096):
 - the names of the Section 53a pupils receiving specialized transportation services as of the transportation count week in October of 2012;
 - the bus number from the bus inventory that each of the above pupils rides on during the count week;
 - a copy of the SE-4094, Transportation Expenditure Report, to verify the amount claimed.
2. Place the amount reported on the SE-4094, column 6, Special Education-Section 53a Total Expenditures, on line 43, columns 9 and 10. This amount will be the district's reimbursable cost for Section 53a Transportation.

Detailed Instructions for Form SE-4096, Page 4

1. Only districts who employed itinerant staff transferred from another district need complete this page.
2. Enter the name of the district and the five digit district code for your district on the worksheet. Enter the name of the district who employed the corresponding personnel in 2003-04. Make extra copies of this page as needed. You will need to complete a separate page 4 for each district from which the itinerant staff came from.
3. Include all eligible special education expenditures related to the itinerant staff. Do not include any expenditures for Section 51a(6) or federal grants identified on page 2, line 3.
4. Column 1/Professionals. Enter the number of full time equivalency (FTE) special education approved personnel hired by the district who had been employed in another district in 2003-04. The FTE positions should be reported to the nearest tenth (0.0).
5. Column 2/Aides. Enter the FTE aides that qualify for reimbursement and for whom salaries are included in the salaries column. Aides qualify for reimbursement for the to the extent they spend time working in special education.

Do not include the FTEs for program assistants or interpreters in the aides column. The salaries for program assistants and interpreters are reimbursable to the extent that they spend time working in special education. However, they are not considered aides and the FTEs are not to be listed in this column.

Health care aides serving an occupational therapist, physical therapist or school nurse should be reported on line 17, function 213. All other aides must be reported by program assignment (classroom) of the pupil to the nearest tenth (0.0).

Please note for aides with a split assignment that a Personnel Activity Report (PAR) must be completed. Such PARs are subject to review by the Office of Special Education. Refer to http://michigan.gov/documents/mde/Funding_Spec_Ed_Paras_381692_7.pdf

6. The State School Aid Act restricts reimbursement to aides who work their full employment with the district in special education. Enter the FTE for the aides that qualify for reimbursement and for whom salaries are included in the salaries column. Health care aides serving an occupational therapist, physical therapist or school nurse should be reported on line 1, function 213.

7. Columns 3 through 9/Expenses. Enter the cost information on the appropriate function lines and in the appropriate object code column-salaries, benefits, purchased services-staff, purchased services-non staff, supplies, materials, etc.

The salaries column (column 3) does not include costs for severance or termination payments or other special payments under object code 17xx. Such payments are not costs necessary for the provision of special education programs and services.

The benefits column (column 4) only includes those employee benefits in the 2100 series-insurances, 2800 series-mandatory coverages and those under 2920 (refer to the Allowable Cost Guide for State Aid and IDEA Part B, Section 619). Note tuition reimbursement for staff is not a reimbursable expense.

Purchased services-staff for the 2012-13 year (column 5) only includes costs for staff contracted from a third party entity. A third party entity is NOT another Michigan public school district, public school academy or intermediate district. Costs in this column are coded under object codes 31xx. (See page one of the instructions.)

Purchased services non-staff (column 6) is for all other allowable expenditures coded under object codes 3xxx-4xxx. Refer to the Allowable Cost Guide for State Aid and IDEA Part B, Section 619.

Other Expenditures (column 9) includes ONLY costs for dues and fees to professional organizations, as well as, the costs for criminal background checks on staff.

8. Column 10/TOTAL. Enter the line totals of columns.
8. Line 18/Total Itinerant Staff Cost. The sum of page 4, line 18, column 10 is carried over and placed on line 1b or 2b as appropriate. You may need to sum more than one page 4.