



ESSA Fiscal Considerations

Gary Schafer & Louis Burgess

Michigan Department of Education



putting Michigan on the map as a premier education state



Talking Points



- What is ESSA?
- The State Plan
- Fiscal Considerations
- Comprehensive Needs Assessment
- Uniform Guidance Implications

Every Student Succeeds Act (ESSA)



- ESSA reauthorizes the Elementary and Secondary Education Act (ESEA) and replaces the No Child Left Behind (NCLB) Act
- Reauthorization period FY2017 through FY2020

ESSA Highlights



- Holds all students to **high academic standards** that prepare them for success in college and careers
- Ensures **accountability** with focus on the very:
 - lowest-performing schools,
 - high schools with high dropout rates
 - schools where subgroups are falling behind

ESSA Highlights



- Parents and educators have annual assessment information
- Reducing testing that is unnecessary, onerous, and redundant
- Empowers state and local decision-makers to develop their own strong systems for school improvement

Michigan's ESSA State Plan



- Governor's review
- Submitted April 17, 2017; builds on the goals and strategies
 - [Top 10 in 10](#) initiative
 - [Governor's 21st Century Education Commission](#)

ESSA Fiscal Impact



- This is what we know right now
- Details are evolving
- Stay tuned

Programs included in ESSA



- Title I, Part A – Improving Basic Programs for Children At Risk
- Title I, Part B – State Assessments
- Title I, Part C – Education Of Migratory Children
- Title I, Part D – Neglected and Delinquent Children and Youth
- Title II, - Preparing, Training & Recruiting High Quality Teachers, Principals
- Title III, - Language Instruction for English Learners and Immigrants
- Title IV, Part A – Student Support & Academic Enrichment Grants
- Title V, - State Innovation & Local Flexibility – Rural Grants
- Title IX, Part A – Homeless Children & Youth

Title I, Part A



- Requires an additional 3% for School Improvement Activities, Title I (1003a)
- Results in a 3% reduction in formula amount distributed to LEAs & PSAs
- Retains the current formula for Title I

Title II – Teacher & Principal Quality



- Allocation Formula
 - State 2001 “hold harmless” eliminated over time
 - LEA: eliminates “hold harmless” base
 - Distributes funds among LEAs based on 80% poverty and 20% population
- Title II Higher Education eliminated in ESSA
- Title II Math and Science are now included in STEM under Title IV

Title IV, Part A



- Student Support & Academic Enrichment Grants
- ESSA's Catch All
- Funding Formula – 95% for subgrants to LEAs allocated based on the prior year's proportion of Title I, Part A allocations with a minimum grant of \$10,000
- An LEA that receives at least \$30,000 must conduct a comprehensive needs assessment on the area's identified in the three content areas.

Title IV, Part A



- Allowable Uses Under 3 Content Categories
 - Well Rounded Educational Opportunities
 - Safe & Healthy Students
 - Effective Use of Technology
- At least 20% of the funds must be used for the first two activities and not more than 15% of the funds for the third.

Title IV, Part A Well-Rounded Education Opportunities



- Improve access to foreign language instruction, arts, and music education
- Support college and career counseling
- Improve instruction and student engagement STEM
- Promote access to:
 - Advanced Placement (AP) and International Baccalaureate (IB) programs,
 - Dual or concurrent enrollment programs
 - Early college high schools
- Strengthen instruction in:
 - American history, civics, economics, geography
 - government education, and environmental education

Title IV, Part A Safe & Healthy Students



- Promote community and parent involvement in schools
- Provide school-based mental health services and counseling
- Promote supportive school climates to reduce the use of exclusionary discipline and promoting supportive school discipline
- Establishing or improving dropout prevention
- Supporting re-entry programs and transition services for justice-involved youth

Title IV, Part A Safe & Healthy Students (con't)



- Implementing programs that support a healthy, active lifestyle (nutritional and physical education)
- Implementing systems and practices to prevent bullying and harassment
- Developing relationship building skills to help improve safety through the recognition and prevention of coercion, violence, or abuse
- Establishing community partnerships

Title IV, Part A – Effective Use of Technology



- Supporting high-quality professional development for educators, school leaders, and administrators to personalize learning and improve academic achievement
- Building technological capacity and infrastructure
- Carrying out innovative blended learning projects
- Providing students in rural, remote, and underserved areas with the resources to benefit from high-quality digital learning opportunities
- Delivering specialized or rigorous academic courses and curricula using technology, including digital learning technologies and assistive technology

Title IV, Part B



- 21st Century Community Learning Centers
- Maintains the status quo
- Funding, this is what we know right now.

Links



- Title IV Guidance from USED
- <https://www2.ed.gov/policy/elsec/leg/essa/essassaegrantguid10212016.pdf>
- Title II, Part A, Allocation comparison under the new formula
- http://www.michigan.gov/mde/0,1607,7-140-6530_30334_51051---,00.html
- Current year allocations
- http://www.michigan.gov/mde/0,1607,7-140-6530_30334-127227--,00.html

Comprehensive Needs Assessment (CNA)



- SINGLE, COMPREHENSIVE NEEDS ASSESSMENT
- Cross-office effort
 - Top in Ten and ESSA, other critical system initiatives
- CNA will connect the dots:
 - LEA needs; LEA priorities; School/District Improvement Plans
 - Grant Budgeting & Expenditure; MDE systems and Data integration
 - Pre-populated data
- Vision:
 - Completion of CNA tool will lead to defined, data driven Action Plans
 - Integration with existing MDE and CEPI systems
 - Allow consistent and accurate data sharing

Timeline for Implementation



Three Phase Approach

- Analysis and Design (February 2017)
- Input from field (on-going)
- Proposal shared with MDE Leadership (May 2017)
- Requirements and RFP (April 2018)
 - RFP related to tool, aligned with MDE systems
 - Training and PD June-Oct 2018

Uniform Guidance Overview



Out with the Old.....	In with the New.....
Compliance	Performance
Process	Outcomes
Structure	Internal Controls
	★ Strengthening Accountability

ESSA & Uniform Guidance



ESSA does not affect Uniform Guidance

Renewed focus on internal controls

Establish and maintain effective internal controls
(200.303)

- Federal Statutes and Regulations
- Terms and Conditions of the Federal Award
- Evaluate and monitor compliance
- Take prompt action on audit findings
- Protect PII

Updated Requirements



- Performance Goals
- Outcome Based Performance Reporting
- Increased Emphasis on Internal Controls
- Written Procedures
- Procurement
- Termination for Cause
- Computing Devices
- Certification (annual and final fiscal reports)

Updated Requirements



- Time and Effort Reporting
- Entertainment Costs
- Expanded Travel Costs
 - Temporary day care costs
- Conferences
- Single Audit Threshold
 - \$750,000
- Questioned Costs
 - \$25,000
- Personally Identifiable Information

Written Policy & Procedures

25



- Financial management systems (§ 200.302(b)(6))
 - ✓ Written procedures to implement the requirements of § 200.305, Payment
- Allowable costs (§ 200.302(b)(7))
 - ✓ Written procedures for determining allowability of costs
- Written Conflict of Interest Policy (§ 200.318(c))
 - ✓ Maintain written standards of conduct covering conflicts of interest
- Written Procurement Procedure (§ 200.319(c))
 - ✓ Written procedures for procurement transactions

Written Policy & Procedures II



- Financial management systems (§ 200.302(b)(6))
 - ✓ Written procedures to implement the requirements of §200.305, Payment
- Allowable costs (§ 200.302(b)(7))
 - ✓ Written procedures for determining allowability of costs
- Written Conflict of Interest Policy (§ 200.318(c))
 - ✓ Maintain written standards of conduct covering conflicts of interest
- Written Procurement Procedure (§ 200.319(c))
 - ✓ Written procedures for procurement transactions

For More Information:



Please visit our website: www.michigan.gov/essa

- Sign up for **ESSA Notes** updates
- Respond to our Survey (click the “Get Involved” link)

Any questions, please email us at: MDE-ESSA@michigan.gov

Follow MDE:

Facebook: (@michdepted)

Twitter: (@mieducation)

Online: www.michigan.gov/mde

Contact MDE



- Louis Burgess
 - burgessl@michigan.gov
 - (517) 335-3672
- Gary Schafer
 - schaferg@michigan.gov
 - (517) 335-0470