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## BOARD AGENDA ITEM

Information/Discussion \_\_\_\_\_  
Future Action \_\_\_\_\_  
Action   X  

Item: Initial Payment of Act 18 Special Education Funds

Submitted by: Kevin Philipps

Date: 9-8-2025

Recommended by: Kevin Philipps *KP*

Board Meeting Date: 9-15-25

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### RECOMMENDATION:

Approve the distribution of \$20 million to our local districts based on the payout formula authorized by the Kent Intermediate Superintendents' Association, Public School Academies, and the Parent Advisory Committee for Special Education.

### BACKGROUND:

In order to assist our local districts with cash flow, we have determined we can pay a portion of the Act 18 funds in September. We request authorization from the Kent ISD Board to pay up to \$20 million in September.

As you know, districts do not receive any State Aid payments until October 20th each year and this time of the year is always very tight in covering their payroll, accounts payable, etc.

We will be requesting the balance of the fall Act 18 payment to be authorized at the October 20, 2025 Board meeting. The reason we are not paying all of it in September is that we have not received our full summer tax collection from the taxing units and current information needed to make the entire October payment is not available at this time.

KP/kg

Attachment

	<b>Actual 24-25</b>	<b>Estimated 25-26</b>
Increase		5.30%

Base All Spec Ed Programs	108,562,992	114,316,831
Itinerant Off Ramp*	2,000,000	1,500,000
All Special Ed Programs	<u>110,562,992</u>	<u>115,816,831</u>

			<b>24-25 and 25-26 Difference</b>
Center Programs	28,829,899	30,357,884	1,527,985
Autism Classroom Prgms	11,078,368	11,847,417	769,049
Itinerant Off Ramp	2,000,000	1,500,000	(500,000)
Local Programs	68,654,725	72,111,530	3,456,805
All Special Ed Programs	<u>110,562,992</u>	<u>115,816,831</u>	<u>5,253,839</u>

		<b>Cumulative Percent**</b>
Sept-25 Actual	20,000,000	17.50%
Oct-25 estimated	65,737,623	75.00%
April-26 estimated	<u>30,079,208</u>	100.00%
	<u>115,816,831</u>	

\*Itinerant Payment made in April

\*\*Cumulative Percent does not include Itinerant Payment

Vend #	School District	C	D	E	F	G	H	I	K
		From Center Distribution	From Autism Distribution	From Local Distribution	Sum (C : E)	100% Col F		Sum (G-H)	Col I or Col O (see * note)
		Estimated 25-26 Distribution --Center Programs	Estimated 25-26 Distribution --Autism Classrm Pgms	Estimated 25-26 Distribution --Local Programs	Estimated 25-26 Distribution All Programs	Cumulative Payment as of Initial 25-26 17.50%	Previous Payments 2025-26	Proposed Initial 25-26 Payment	Actual Initial 25-26 Payment
2364	Byron Center		63,908	2,911,920	2,975,828	520,628	-	520,628	520,628
2452	Caledonia		987,621	3,154,100	4,141,721	724,604	-	724,604	724,604
2727	Cedar Springs		660,105	2,109,005	2,769,109	484,462	-	484,462	484,462
3375	Comstock Park			1,349,094	1,349,094	236,027	-	236,027	236,027
4781	East Grand Rapids		185,407	1,763,388	1,948,795	340,946	-	340,946	340,946
5725	Forest Hills		953,401	5,435,256	6,388,657	1,117,711	-	1,117,711	1,117,711
6390	Godfrey-Lee		121,174	1,362,693	1,483,867	259,606	-	259,606	259,606
6411	Godwin Heights		919,181	1,698,411	2,617,592	457,954	-	457,954	457,954
6710	Grand Rapids		3,109,282	11,434,362	14,543,644	2,544,445	-	2,544,445	2,544,445
6859	Grandville		830,264	3,755,898	4,586,162	802,360	-	802,360	802,360
8791	Kelloggsville		135,804	1,860,831	1,996,635	349,316	-	349,316	349,316
8862	Kenowa Hills		672,345	2,128,339	2,800,684	489,986	-	489,986	489,986
8900	Kent City			934,775	934,775	163,541	-	163,541	163,541
9056	Kentwood		2,246,200	7,748,147	9,994,347	1,748,535	-	1,748,535	1,748,535
9785	Lowell			2,248,891	2,248,891	393,449	-	393,449	393,449
12386	Northview			2,261,714	2,261,714	395,692	-	395,692	395,692
14162	Rockford		569,684	4,688,952	5,258,637	920,011	-	920,011	920,011
15341	Sparta			1,689,590	1,689,590	295,598	-	295,598	295,598
16070	Thornapple Kellogg		304,180	2,125,987	2,430,166	425,163	-	425,163	425,163
17911	Wyoming		88,861	3,233,454	3,322,314	581,247	-	581,247	581,247
49541	Byron Center Charter			142,449	142,449	24,922	-	24,922	24,922
21979	Chandler Woods			499,948	499,948	87,467	-	87,467	87,467
2515	Covenant House Acad.			209,648	209,648	36,678	-	36,678	36,678
36222	Creative Technology			209,686	209,686	36,685	-	36,685	36,685
18892	Cross Creek			569,017	569,017	99,551	-	99,551	99,551
7261	Excel Charter			601,521	601,521	105,237	-	105,237	105,237
4580	Gerald Dawkins Academy			129,074	129,074	22,582	-	22,582	22,582
6503	GR Child's Discovery			196,306	196,306	34,344	-	34,344	34,344
2719	Grand River Prep			505,393	505,393	88,420	-	88,420	88,420
2030	Hope Acad of W MI			252,239	252,239	44,130	-	44,130	44,130
30234	Knapp			330,812	330,812	57,876	-	57,876	57,876
10268	Lighthouse Academy			395,703	395,703	69,229	-	69,229	69,229
11084	New Branches			292,239	292,239	51,128	-	51,128	51,128
2324	NexTech			121,070	121,070	21,182	-	21,182	21,182
4406	PrepNet Virtual Academy			89,931	89,931	15,734	-	15,734	15,734
34921	Ridge Park			435,704	435,704	76,227	-	76,227	76,227
2205	River City Scholars			253,103	253,103	44,281	-	44,281	44,281
42796	Vanguard			584,942	584,942	102,337	-	102,337	102,337
48012	Vista			556,596	556,596	97,378	-	97,378	97,378
3711	Walker			527,133	527,133	92,223	-	92,223	92,223
1910	Wellspring Prep HS			213,793	213,793	37,404	-	37,404	37,404
31683	WMA-Environment			492,261	492,261	86,122	-	86,122	86,122
1886	West Mich Aviation			367,929	367,929	64,370	-	64,370	64,370
45532	Wm Abney Academy			240,225	240,225	42,028	-	42,028	42,028
	Center Programs	30,357,884			30,357,884	5,311,184	-	5,311,184	** 5,311,184
	Total	30,357,884	11,847,417	72,111,530	114,316,831	20,000,000	0	20,000,000	20,000,000

Estimated 25-26 Amount      30,357,884      11,847,417      72,111,530      115,816,831      20,000,000  
1,500,000

\*\* This amount will be used by Kent ISD to cover the expenses of the Center Programs

	<b>24-25</b>	<b>Estimated 25-26</b>
Increase (Decrease)		5.30%
Total Center Programs	<u>28,829,899</u>	<u>30,357,884</u>

Kent Intermediate School District Act 18 Distribution -- Autism Classroom Programs

	24-25 Distribution	24-25 Blended FTE	24-25 Amt/FTE	Estimated 25-26 Distribution 5.30%	25-26 Blended FTE 9.65%	Actual 25-26 per FTE
Increase (Decrease)						
Total Autism Classroom Progra	<u>9,563,571</u>	<u>396.44</u>		<u>11,847,417</u>	434.71	<b>\$ 28,049</b>
Byron Center	\$ 56,898	3.56	\$ 15,983	\$ 63,908	3.56	\$17,952
Caledonia	\$ 937,912	35.21	\$ 26,638	\$ 987,621	35.21	\$28,049
Cedar Springs	\$ 599,624	25.58	\$ 23,441	\$ 660,105	25.58	\$25,805
East GR	\$ 176,075	6.61	\$ 26,638	\$ 185,407	6.61	\$28,049
Forest Hills	\$ 905,414	33.99	\$ 26,638	\$ 953,401	33.99	\$28,049
Godfrey Lee				\$ 121,174	7.20	\$16,830
Godwin Heights	\$ 872,916	32.77	\$ 26,638	\$ 919,181	32.77	\$28,049
Grand Rapids	\$ 2,952,785	110.85	\$ 26,638	\$ 3,109,282	110.85	\$28,049
Grandville	\$ 788,475	29.60	\$ 26,638	\$ 830,264	29.60	\$28,049
Kelloggsville	\$ 121,382	7.12	\$ 17,048	\$ 135,804	7.12	\$19,074
Kenowa Hills	\$ 638,505	23.97	\$ 26,638	\$ 672,345	23.97	\$28,049
Kentwood	\$ 2,133,144	80.08	\$ 26,638	\$ 2,246,200	80.08	\$28,049
Rockford	\$ 541,011	20.31	\$ 26,638	\$ 569,684	20.31	\$28,049
Thornapple Kellogg	\$ 275,114	12.91	\$ 21,310	\$ 304,180	12.91	\$23,562
Wyoming	\$ 79,114	4.95	\$ 15,983	\$ 88,861	4.95	\$17,952
	<u>11,078,368</u>	<u>427.51</u>		<u>\$11,847,417</u>	<u>434.71</u>	

	B	C	D	E
			10% Col B, 90% Col C	Col D less Non- Res FTE
District	Feb-24 Audited FTE*	Oct-24 Audited FTE*	24-25 Blended	24-25 Blend - Nonresident
Byron Center	4,494.84	4,566.67	4,559.48	4,550.48
Caledonia	4,986.71	5,011.42	5,008.95	5,005.57
Cedar Springs	3,068.95	2,995.43	3,002.79	2,980.79
Comstock Park	1,753.48	1,779.57	1,776.96	1,771.96
East Grand Rapids	2,939.98	2,987.70	2,982.93	2,982.93
Forest Hills	9,031.38	8,832.80	8,852.66	8,847.66
Godfrey-Lee	1,687.89	1,642.97	1,647.46	1,644.46
Godwin Heights	1,926.69	1,931.03	1,930.60	1,930.60
Grand Rapids	13,684.64	13,637.48	13,642.19	13,633.89
Grandville	5,436.74	5,541.68	5,531.18	5,513.01
Kelloggsville	2,180.42	2,194.22	2,192.84	2,188.84
Kenowa Hills	2,884.36	2,940.30	2,934.71	2,911.34
Kent City	1,219.63	1,239.72	1,237.71	1,221.71
Kentwood	9,310.49	9,582.93	9,555.69	9,551.69
Lowell	3,450.83	3,467.68	3,465.99	3,428.99
Northview	3,122.32	3,153.30	3,150.20	3,147.20
Rockford	7,652.06	7,520.05	7,533.26	7,532.20
Sparta	2,388.76	2,370.16	2,372.02	2,355.35
Thornapple Kellogg	3,115.15	3,085.64	3,088.60	3,073.60
Wyoming	3,781.21	3,799.35	3,797.54	3,796.54
Byron Center Charter	194.00	199.81	199.23	194.23
Chandler Woods	744.00	740.42	740.78	734.78
Covenant High School	254.73	239.49	241.01	241.01
Creative Technologies	303.98	299.46	299.91	288.91
Cross Creek	807.00	809.28	809.05	806.05
Excel Charter	777.00	790.99	789.59	787.59
Gerald Dawkins Academy	72.00	151.87	143.88	143.88
GR Child's Discovery	282.00	286.95	286.46	286.46
Grand River Prep	604.84	625.11	623.08	621.08
Hope Acad of W MI	285.82	280.94	281.43	281.43
Knapp	426.50	398.75	401.53	400.53
Lighthouse Academy	445.09	554.30	543.38	443.71
New Branches	343.00	342.42	342.48	342.48
NexTech	125.45	141.76	140.13	139.13
PrepNet Virtual Academy	1,189.36	1,101.45	1,110.25	113.14
Ridge Park	510.00	505.83	506.25	500.25
River City Scholars	270.00	287.61	285.85	284.85
Vanguard	769.00	767.59	767.73	763.73
Vista	658.71	634.26	636.70	632.70
Walker	708.00	716.04	715.24	710.24
Wellspring Prep HS	268.41	265.32	265.63	263.63
WMA-Environmental	649.61	660.28	659.21	654.21
West Mich Aviation	605.97	598.76	599.48	574.48
Wm Abney Academy	267.00	265.84	265.96	265.96
<b>Total</b>	<b>99,678.00</b>	<b>99,944.63</b>	<b>99,918.00</b>	<b>98,543.27</b>

\*Per Mar 2025 SASR

	B	C	D	E	F	G
	Blended-Col		Col B + 60%		Col E * Total	
	E	Col B * F/R %	Col C	% of Total	Alloc	Col F
School District	Audited 24-25 Blended Enrollment	5 Yr Average F/R Lunch Eligible Students	24-25 Weighted Enrollment	% of 24-25 Wtd Enrlmt	24-25 Weighted Enrollment	25-26 Total Local Program Distribution
Byron Center	4,550.48	1,001.33	5,151.28	4.04%	2,911,920	2,911,920
Caledonia	5,005.57	956.89	5,579.70	4.37%	3,154,100	3,154,100
Cedar Springs	2,980.79	1,250.18	3,730.90	2.92%	2,109,005	2,109,005
Comstock Park	1,771.96	1,024.38	2,386.59	1.87%	1,349,094	1,349,094
East Grand Rapids	2,982.93	227.60	3,119.49	2.45%	1,763,388	1,763,388
Forest Hills	8,847.66	1,279.13	9,615.14	7.54%	5,435,256	5,435,256
Godfrey-Lee	1,644.46	1,276.98	2,410.65	1.89%	1,362,693	1,362,693
Godwin Heights	1,930.60	1,789.90	3,004.54	2.36%	1,698,411	1,698,411
Grand Rapids	13,633.89	10,989.76	20,227.75	15.86%	11,434,362	11,434,362
Grandville	5,513.01	1,885.49	6,644.30	5.21%	3,755,898	3,755,898
Kelloggsville	2,188.84	1,838.38	3,291.87	2.58%	1,860,831	1,860,831
Kenowa Hills	2,911.34	1,422.93	3,765.10	2.95%	2,128,339	2,128,339
Kent City	1,221.71	719.89	1,653.65	1.30%	934,775	934,775
Kentwood	9,551.69	6,925.04	13,706.72	10.74%	7,748,147	7,748,147
Lowell	3,428.99	915.61	3,978.36	3.12%	2,248,891	2,248,891
Northview	3,147.20	1,423.07	4,001.04	3.14%	2,261,714	2,261,714
Rockford	7,532.20	1,271.18	8,294.91	6.50%	4,688,952	4,688,952
Sparta	2,355.35	1,055.98	2,988.94	2.34%	1,689,590	1,689,590
Thornapple Kellogg	3,073.60	1,145.56	3,760.94	2.95%	2,125,987	2,125,987
Wyoming	3,796.54	3,205.90	5,720.08	4.48%	3,233,454	3,233,454
Byron Center Charter	194.23	96.28	252.00	0.20%	142,449	142,449
Chandler Woods	734.78	249.41	884.42	0.69%	499,948	499,948
Covenant House Acad	241.01	216.44	370.87	0.29%	209,648	209,648
Creative Technology	288.91	136.72	370.94	0.29%	209,686	209,686
Cross Creek	806.05	334.27	1,006.61	0.79%	569,017	569,017
Excel Charter	787.59	460.87	1,064.11	0.83%	601,521	601,521
Gerald Dawkins Acad	143.88	140.76	228.34	0.18%	129,074	129,074
GR Child's Discovery	286.46	101.35	347.27	0.27%	196,306	196,306
Grand River Prep	621.08	454.96	894.06	0.70%	505,393	505,393
Hope Acad of W MI	281.43	274.65	446.22	0.35%	252,239	252,239
Knapp	400.53	307.81	585.22	0.46%	330,812	330,812
Lighthouse Academy	443.71	427.17	700.01	0.55%	395,703	395,703
New Branches	342.48	290.83	516.98	0.41%	292,239	292,239
NexTech	139.13	125.08	214.18	0.17%	121,070	121,070
PrepNet Virtual	113.14	76.58	159.09	0.12%	89,931	89,931
Ridge Park	500.25	450.87	770.77	0.60%	435,704	435,704
River City Scholars	284.85	271.49	447.75	0.35%	253,103	253,103
Vanguard	763.73	451.75	1,034.78	0.81%	584,942	584,942
Vista	632.70	586.56	984.64	0.77%	556,596	556,596
Walker	710.24	370.46	932.52	0.73%	527,133	527,133
Wellspring Prep HS	263.63	190.96	378.21	0.30%	213,793	213,793
WMA-Environment	654.21	361.03	870.83	0.68%	492,261	492,261
West Mich Aviation	574.48	127.33	650.88	0.51%	367,929	367,929
Wm Abney Acad.	265.96	265.01	424.97	0.33%	240,225	240,225
<b>Total</b>	<b>98,543.27</b>	<b>48,373.85</b>	<b>127,567.58</b>	<b>100.00%</b>	<b>72,111,530</b>	<b>72,111,530</b>

Est Growth in Act 18

5.30%

Amount to Allocate

72,111,530

72,111,530

## Column

A The district's 24-25 Blended Enrollment (Feb '24 x 10%) + (Fall '24 x 90%)

B The district's five year average number of students eligible for Free and Reduced Breakfast & Lunch (Free App + Reduced App)

C (Column A x 1.0) + (Column B x 0.6)

D The district's percentage of Kent ISD 2024-25 Blended Enrollment  
(District's column C / Total column C)

E District's percent of blended enrollment x Amount to be distributed  
using blended enrollment  
(Curr Year Column D) x 72,111,530

F Total Local Program Distribution



## **Process for Determining Full Funding of Special Education Costs**

Act 18 funds must be used for special education expenditures. Because of this, districts cannot receive more funding than expenditures. Each October Kent ISD will calculate the total special education revenue and expenditures for each district to determine if they have been overfunded the previous school year. If a district is "over funded", their Act 18 payout will be adjusted accordingly. This adjustment will be made the following fiscal year, in October. This delay is necessary because the SE-4096 for the previous fiscal year is not available until September of the following year. The following formula will be used to determine full funding:

### Revenue:

- Act 18

- Program Tuition

- State:

  - Full Foundation Grant (51a2)

  - Additional Payment (51a)

  - Special Education Foundation Payment (51e)

  - Special Education Millage Equalization 56(7)

  - Transportation Reimbursement

  - Federal: IDEA

- Other Special Education Revenue

### Expenditures:

- SE-4096 (instructional)

- SE-4094 (transportation)

- Federal: IDEA

- Physical Therapist Costs

- Center Program Tuition

- Regional Billings (see below)

- Unreimbursed Special Education Costs (consult with Kent ISD for allowable unreimbursed costs)

All of the above revenue and expenditure figures are available to Kent ISD to complete this calculation except regional billings and unreimbursed SE costs. To obtain this information, Kent ISD requests that when districts submit their SE-4096 to Kent ISD each September, a separate sheet be included with the following information:

**Regional Billings (both revenue and expenditure):**

District you billed or were billed from

Program (i.e. EI, LD)

Dollar amount

**Unreimbursed Special Education Costs:**

The SE-4096 limits certain special education expenditures. For example, a special education director's secretary working 40% in special education and 60% in general education. Do not list expenditures that have been claimed by another local district on their SE-4096. Information that is needed:

Description of the expenditure (secretary)

Dollar amount

Reason it is not allowable on SE-4096

As mentioned above, this documentation should be included when you submit your SE-4096. No documentation will be accepted after October 1<sup>st</sup>. For assistance in determining unreimbursed special education costs, consult with Kent ISD. The Kent ISD will randomly audit these expenditures.

KP/kg

9/5/25