

**STATE SCHOOL AID DATA UPDATED FOR JULY**

The July state school aid payment is the 10<sup>th</sup> regular payment of the year and reflects 90.9% of the year's allocation for Sections 22a, 51c, and 22b as well as for most categoricals. Prior year adjustments are made at 100% in a single payment. The payment will post at the districts' banks on Monday, July 22, 2019.

**Taxable value** figures used to calculate the July payment represent the tax year 2018 values provided by county treasurers via the web-based taxable valuation collection process. Revisions to taxable values received prior to July 1, 2019 were incorporated into the payment calculation.

The **membership blend** used to calculate the July payment incorporated all Michigan Student Data System (MSDS) pupil (FTE) counts released to the Department as of June 12, 2019.

**STATE AID WAIVER REQUESTS**

The Department has transitioned to accepting applications for waivers through online forms only. These online forms must be used to ensure that the request is received and can be considered for approval. Paper and email requests are no longer accepted. Please share this information with appropriate staff in your district:

[Common Calendar Waiver](#) – Used to deviate from the spring/winter break provided in the ISD's common calendar.

[Alternative Count Day Waiver](#) – Allows a district to have an alternate count date.

[Schools of Choice Waiver](#) – Allows a district to extend the application/enrollment windows for schools of choice.

Questions related to the above waivers should be directed to Brian Ciloski, State Aid and School Finance, 517-241-2209, or [CiloskiB@Michigan.gov](mailto:CiloskiB@Michigan.gov).

[Additional Forgiven Days Waiver](#) – Allows a district to request up to three additional days of forgiven time.

[Travel Time Waiver](#) – Allows a district to count additional travel time for certain programs.

Questions related to the above waivers should be directed to Jessica Beagle, State Aid and School Finance, 517-241-6435, or [BeagleJ1@Michigan.gov](mailto:BeagleJ1@Michigan.gov).

[Labor Day Waiver](#) – Allows a district to provide instruction prior to Labor Day.

Questions related to the above waiver should be directed to Chad Urchike, State Aid and School Finance, 517-335-1261, or [UrchikeC1@Michigan.gov](mailto:UrchikeC1@Michigan.gov).

**SECTION 23A MEMBERSHIP AND SECTION 25G CATEGORICAL ADJUSTMENTS**

Pursuant to language in Section 6(4)(dd) of the State School Aid Act, pupils in Section 23a Dropout Recovery programs can generate more than a 1.0 FTE, in certain instances, not to exceed 1.25 FTE. That portion of the FTE above 1.0 is to be paid out of categorical funding in Section 25g. If the FTE exceeds 1.25 for a pupil, the district's FTE will be adjusted in the amount of the overage. Funds transferred to Section 25g may be prorated (as in previous years) if the total funding claimed exceeds the [amount allocated](#) by the legislature. The August status report will reflect the Section 25g funding on a line labeled "25g Pupil Exceeding 1.0 FTE" in the Current Year Allowance section. Districts will see the Section 23a FTE at the top of the status report adjusted accordingly. Questions related to this adjustment should be directed to Brian Ciloski, Office of State Aid and School Finance, at 517-241-2209 or by e-mail at [CiloskiB@Michigan.gov](mailto:CiloskiB@Michigan.gov) or Jessica Beagle, State Aid and School Finance, 517-241-6435, or [BeagleJ1@Michigan.gov](mailto:BeagleJ1@Michigan.gov).

### **UPDATE EEM WITH BUSINESS MANAGER CONTACT**

Districts are strongly encouraged to update the [Educational Entity Master](#) (EEM) with a Business Manager contact. This will ensure timely notification for important issues like the indirect cost rate. Take action now! As districts transition to a new year, now is a good time to ensure all contacts are up-to-date. Consider implementing a best practice to review all contacts in the EEM on a quarterly basis.

### **REMINDER TO DISTRICTS THAT PLEDGED THEIR AUGUST PAYMENT**

Approximately **92** school districts participated in the Michigan Finance Authority's (MFA) State Aid Note (SAN) Program **2018 A-2** (no set-aside pool), and pledged 100% of their August **2019** school aid payment for the repayment of this obligation. If your district participated in this program, please be reminded that all or part of your August payment will not be deposited in your bank account. Rather, the note set-aside portion will be deposited with the Michigan Finance Authority. If you have questions please contact **Melissa Lovegrove**, Michigan Finance Authority **517-241-4207** or [lovegrovem@michigan.gov](mailto:lovegrovem@michigan.gov).

### **SHARED TIME MEMBERSHIP GROWTH CAP**

Section 6(4)(ii) limits the amount of part-time membership that may be claimed for a pupil enrolled under Section 166b to not more than 0.75 of a full-time equated membership. Section 6(4)(II) limits the growth in Section 166b membership from one year to the next.

For districts that had 5% or more of membership coming from pupils under Section 166b in the prior year:

- Membership growth for pupils counted under Section 166b shall not exceed 10% from the prior year.

For districts that had less than 5% of membership coming from pupils under Section 166b in the prior year:

- Membership for pupils counted under Section 166b shall not exceed the greater of 5% of non-Section 166b membership or 10% of Section 166b membership in the prior year.

Questions should be directed to Brian Ciloski, State Aid and School Finance, 517-241-2209, or [CiloskiB@Michigan.gov](mailto:CiloskiB@Michigan.gov).

### **2018-19 DAYS AND CLOCK HOURS REPORTING DEADLINE IS AUGUST 1, 2019**

In order to satisfy the legislative requirement found in Section 101(3) of the State School Aid Act ([MCL 388.1701](#)), intermediate districts must certify and submit to the Department a days and clock hours report, formerly known as the Days and Clock Hours of Instruction Report (DS-4168), for the intermediate and local districts by **August 1, 2019**. The requirement applies to all local school districts and public school academies. It also applies to intermediate school districts that operated an alternative education program or claimed FTE for a Special Education Early Childhood program during the 2018-19 school year.

The user guide to assist districts in using the application can be viewed [here](#). Further questions regarding the application can be addressed by contacting CEPI Customer Support at [CEPI@Michigan.gov](mailto:CEPI@Michigan.gov).

### **School-Level Expenditure Reporting Under the Every Student Succeeds Act (ESSA)**

On June 13<sup>th</sup>, school district superintendents and Financial Information Database (FID) users received communications from CEPI regarding school-level expenditure reporting under the Every Student Succeeds Act (ESSA). These communications contained sample school-level data and per-pupil calculations from prior year FID submissions intended to assist districts in identifying and correcting data quality issues prior to this new level of reporting by MDE, which will begin based on 2018-19 FID data. We also encourage districts to use this data to begin conversations about what the data show about school-level spending and prepare communication plans for questions

that may be received by the district when it is published in Spring 2020. Please see the [ESSA School-Level Financial Reporting webpage](#) for past communications, MDE's school-level per-pupil expenditure calculation methodology, and other upcoming resources. Questions regarding this item may be directed to Christopher May at 517-335-1263 or [MayC@michigan.gov](mailto:MayC@michigan.gov).

### **SECTION 64b DUAL ENROLLMENT INCENTIVE FUNDS**

Incentive payments for supporting postsecondary opportunities for students remain available in 2018-19. A maximum of \$60 per course can be claimed by entering "Yes" in the "64b Eligible Course" field in the Teacher Student Data Link (TSDL) collection upon completion of a course. Previously, a separate "Course Type" was used to report courses eligible for this incentive. For 2018-19, all dual enrollment courses should use Course Type "07" regardless of incentive eligibility. Incentive payments are limited to one course per student, per year, and will be included in districts' August state school aid payments following claim processing and course verification. Questions related to the processing of Section 64b Dual Enrollment Incentives and the TSDL collection may be directed to the Center for Educational Performance and Information (CEPI) at 517-335-0505 or [cepi@michigan.gov](mailto:cepi@michigan.gov). Questions related to dual enrollment and eligibility for these incentives may be directed to Eric Lipinski at 517-241-6895 or [LipinskiE@michigan.gov](mailto:LipinskiE@michigan.gov).

### **SECTION 31A ANNUAL PROGRAM AND FISCAL REPORT DUE IN MEGS+**

Local Educational Agencies (LEAs) receiving Section 31a At-risk funds were required to submit the Fiscal Year (FY) 2019 Section 31a Annual Program and Fiscal Report (APFR) by the July 15, 2019 deadline. LEAs that are experiencing extenuating circumstances should have requested additional support from one of the individuals listed below prior to July 15, 2019. Please note failure to submit the Section 31a APFR or request additional support may result in the withholding of Section 31a funds in the August 2019 state aid payment. The FY 2019 Section 31a Annual Program and Fiscal Report (APFR) is available in [MEGS+](#).

Questions regarding the MEGS+ Section 31a APFR may be directed to:

Office of Educational Supports

- Special Populations Unit 517-241-6974
  - Michelle Williams, Acting Manager, [williamsm48@michigan.gov](mailto:williamsm48@michigan.gov)
  - Dawn Carmody, Consultant, [carmodyd1@michigan.gov](mailto:carmodyd1@michigan.gov)
  - Stephanie Holmes-Webster, Consultant, [holmeswebsters@michigan.gov](mailto:holmeswebsters@michigan.gov)
- Financial Unit 517-241-5388
  - Judy Thelen, Analyst, [thelenj8@michigan.gov](mailto:thelenj8@michigan.gov)

### **TAXABLE VALUE SYSTEM UPDATES**

The online taxable valuation collection system has been made available for county treasurers to input tax year 2019 values to be used when calculating FY 2020 State School Aid. These values are due by September 1, 2019. Please encourage your treasurer to report these values if they have not already done so. Taxable Value data can be viewed [here](#). To view your data, click on "Public Access" and then choose your district code and the applicable tax year from the drop down menu. Questions should be directed to Phil Boone at 517-335-4059 or by e-mail at [BooneP2@Michigan.gov](mailto:BooneP2@Michigan.gov), or Jeff Kolb at 517-241-2207 or [KolbJ2@michigan.gov](mailto:KolbJ2@michigan.gov).

### **GENERAL INFORMATION**

- The proration factor for the Section 31a – At Risk funding is 78.34069104%.
- The Section 22d(4) Isolated District funds are paid at \$49.7798323120 per pupil.
- The Headlee Obligation for Data Collection funds are paid at \$25.6209760216 per pupil.
- The Supplemental count (February 2019) ISD audited FTE values are due to CEPI by July 31, 2019.
- October 2, 2019, the first Wednesday in October, is the **Pupil Membership Count Date** for FY 2019-2020.

- February 12, 2020, the second Wednesday in February, is the **Supplemental Count Date** for FY 2019-2020.
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\*Do you have questions about the information appearing in this UPDATE? Call the consultants identified above or Phil Boone, Assistant Director, Office of Financial Management, State Aid and School Finance, MDE, phone 517-335-4059, fax: 517-241-0196, e-mail: [BooneP2@Michigan.gov](mailto:BooneP2@Michigan.gov).