

MARCH PAYMENT INFORMATION

The March state school aid payment is the sixth regular payment of the 2019 fiscal year. The payment will be electronically transmitted to the districts' accounts on Wednesday, March 20, 2019.

Taxable value figures used in the calculation of the Section 20 and Section 22a state per pupil amounts are the initial tax year 2018 figures provided by the county treasurers via the web based reporting system. These data can be viewed by school district personnel on the [Department's website](#). To view your data, enter your district code and choose the applicable tax year from the drop down menu. **Questions concerning the taxable value figures should first be directed to the appropriate county treasurer.**

PLEASE NOTE: Some districts will notice that the At-Risk Section 31a annual amount in the March payment incorrectly reflects an increase of approximately 3.57% as compared to February. This will be rectified in the April payment. Use this [link](#) to see the updated April amount.

Pupil Membership – October 2018 pupil count data (audited for most districts) and audited February 2018 counts were used in the calculation of the blended membership count for the March payment used to calculate **Section 20 Foundation** allowances.

EXECUTIVE BUDGET RECOMMENDATION FOR 2019-2020 SCHOOL AID

On March 5, 2019, Governor Whitmer's Executive Budget Recommendation for FY 2020 was presented to the legislature. The following are some highlights of the K-12 budget portion of the Governor's proposal.

- The per pupil **Foundation Grants for FY 2020** would increase based on a 1.5X formula, ranging from \$120 to \$180. Under this plan, the minimum foundation for FY 2020 will be \$8,051 and the basic (maximum state guaranteed) foundation will be \$8,529 per pupil.
- A **new Section 28** would appropriate \$120 million for increased special education funding. This increase in funding is estimated to raise reimbursement levels approximately 4 percent.
- The **new Section 28** would also provide an additional \$102 million for **academically at-risk, economically disadvantaged** students, to provide approximately 11% of the minimum foundation allowance, or \$894 per pupil.
- The **new Section 28** would also appropriate \$50 million for the purpose of paying an additional 6% of the minimum foundation or \$487 for each pupil enrolled in a Career and Technical Education field.
- The Executive Recommendation for FY 2020 would increase the **Section 81 Intermediate School District (ISD) General Operations** by 3.5% to \$70.8 million.
- Total state payments related to **MPSERS Retirement Contributions** would be in excess of \$1.3 billion under the Executive Recommendation.

Boilerplate language change highlights include the following:

- In recognition of the varying costs of educating pupils based on type of education setting, **pupils enrolled in virtual programs in cyber schools** would generate 80% of the per-pupil foundation allowance.

The summary provided above should not be considered a complete description of the content of the executive proposal. Also, please be advised that changes are likely as the budget makes its way through the legislative process. Additional information and details on the executive budget proposal can be found [here](#).

LABOR DAY START WAIVERS

Section 1284b of the Revised School Code ([MCL 380.1284b](#)) prohibits public schools from scheduling instruction on or before Labor Day. However, the legislation also provides the State Superintendent with sole authority to issue a waiver from this requirement if it is determined that the school or program is a bona fide year-round school or program established for educational purposes.

When a Labor Day waiver is requested, Section 160 of the State School Aid Act ([MCL 388.1760](#)) requires the district to conduct a joint public hearing with the Department at a location within the district or intermediate school district. A joint public hearing must take place before the Labor Day waiver can be approved.

Applicants requesting a waiver should use the form located on the [Department's website](#).

Questions related to Labor Day waivers may be directed to Chad Urchike at UrchikeC1@michigan.gov.

STATE AID WAIVER REQUESTS

The Department has transitioned to accepting applications for waivers through online forms. All waiver requests must be received by **May 31, 2019** to be considered for the current school year. If your district needs to request any of the following waivers, please use the link below to access the appropriate form:

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

Questions related to this waiver may be directed to Chad Urchike at UrchikeC1@michigan.gov.

[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, CiloskiB@Michigan.gov.

[Additional Forgiven Time 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.

BULLETINS 1011 & 1014

The Office of Financial Management has completed its review of the 2017-18 Financial Information Database (FID) information. That data was submitted by each Michigan public school district in accordance with MCL 388.1618(5). Select FID data has been compiled and published in the [Bulletin 1011 – Analysis of Michigan Public School Revenues and Expenditures](#) and the [Bulletin 1014 – Michigan Public Schools Ranked by Select Financial Information](#). The Bulletin 1011 is a financial report that groups districts by size of pupil membership. It contains various pieces of financial information about groups of Michigan public school districts including balance sheet, revenue, and expenditure data. It also includes the fall pupil count and average teacher salary for those groups. The Bulletin 1014 contains district-level information including revenues and expenditures per pupil. This Bulletin also includes the fall pupil count, average teacher salary, and taxable value information. Questions related to the Bulletins 1011 and 1014 may be directed to Christopher May at 517-335-1263 or 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 coding eligible courses as Course Type "10" in the TSDL collection upon completion of a course (a separate submission of an Excel form is no longer required to claim these incentives). Incentive payments will be included in districts' state school aid payments following claim processing and course verification. Questions related to the processing of Section 64b Dual Enrollment Incentives may be directed to the Center for Education Performance and Information at 517-335-0505 or cepi@michigan.gov. Questions related to dual enrollment and eligibility for these incentives may be directed to Eric Lipinski, Office of Educational Supports, at 517-241-6895 or LipinskiE@michigan.gov. Questions related to incentive calculation and processing may be directed to Christopher May at 517-335-1263 or MayC@michigan.gov.

GENERAL INFORMATION

- **March 20, 2019** is the deadline for ISDs to submit to the Center for Educational Performance and Information (CEPI) the **Audited FTE Counts** for the October 3, 2018 pupil membership count day.
- **February 13** was the FY 2019 **Supplemental Count** date. The Michigan Student Data System (MSDS) records for the Supplemental Count date are due to the CEPI by **March 20, 2019** and are to be certified by **March 27, 2019**.
- **Proration factors:**
 - The proration factor for Section 31a – At Risk funding is 81.16660775%.
 - The weighted average for Section 31a – At Risk funding is \$8,000.
 - Section 152a - Headlee Obligation for Data Collection funds are being paid at a rate of \$25.624380387 per pupil.
 - Section 22d(4) Isolated District funds are being paid at a rate of \$49.7518131683 per pupil.

Do you have questions above the information appearing in this [Update](#)? Call the consultants identified above or **Phil Boone, Assistant Director, Office of Financial Management, MDE**, at 517-335-4059, or via fax at 517-241-0196, or via e-mail at BooneP2@michigan.gov.