

SECTION 25 PUPIL FOUNDATION ADJUSTMENTS

As reported in the January 2012 UPDATE, Section 25 of the State School Aid Act was amended by P.A 322 of 2011 to allow Strict Discipline Academies to receive a prorated share of a foundation grant for pupils that transfer to the strict discipline academy after the count day, provided that they were counted by a district or public school academy on the count day. The foundation funds for the district that counted the pupil on the count day are to be adjusted downward correspondingly. These adjustments appear on the July State Aid Financial Status Reports and are labeled "25 Pupil Transfer Adjustment" in the "Current Year Allowance" Section. **Questions related to the adjustments should first be directed to the Strict Discipline Academy to which your pupil transferred.**

NEW DAYS AND CLOCK HOURS APPLICATION

The new Report of Days and Clock Hours of Instruction (D/CH) application is now available through the Educational Entity Master (EEM) application. The new application replaces the paper form, Report of Days and Clock Hours of Instruction, DS-4168, and must be used to report instructional days and hours for the 2011-12 school year, as required under Section 101(3) of the State School Aid Act.

If you would like to request access to the system, please complete and return the '[EEM Security Agreement](#)'.

The application contains a User Guide, which can be accessed by:

1. Logging-in to the EEM application
2. Click on the Days and Clock Hours link in the left navigation
3. Click on the User Guide link, located in the top menu within the application.

The application user guide is also available through the following link:

http://mi.gov/documents/mde/DCH_Application_User_Guide_391892_7.pdf. If you have questions or concerns regarding access to this system, please contact CEPI Support at CEPI@Michigan.gov. If you have general questions regarding this application or the 2011-12 collection, please contact Brian Ciloski at CiloskiB@Michigan.gov or 517-373-3352.

SID AND REP REPORTING

Section 19(5) of the State School Aid Act requires local districts, intermediate districts and public school academies to submit their Registry of Educational Personnel (REP) data to the Center for Educational Performance and Information (CEPI) by June 30 each year. Section 19(6) of the State School Aid Act requires local districts, intermediate districts and public school academies to submit their School Infrastructure Database (SID) information to CEPI by June 30. Section 19(7) of the State School Aid Act requires the Department to withhold 5% of the total funds for which the local district, intermediate district or public school academy qualifies under the act for non-compliance with either of these reporting requirements. State aid funds are being withheld from a total of 39 entities that did not comply with the SID and/or the REP reporting requirement. The withheld amount will appear on the State Aid Financial Status Report as a negative under the section labeled "Current Year Allowances" on a line labeled "SID Deduct" or "REP Deduct." CEPI reopened the two databases on July 12, 2012, to allow inputting of the data through July 19, 2012. The withheld funds will be released in the next school aid payment following compliance. Questions regarding the submission of the SID/REP data should be directed to the CEPI customer support via e-mail at CEPI@Michigan.gov or phone at (517) 335-0505, option 3.

FINANCIAL BEST PRACTICES INCENTIVE GUIDANCE FOR FY 2013

As reported in prior UPDATES (see June UPDATE), the school aid amendments for FY 2013, adopted when HB 5372 was approved by the Governor on June 25, 2012 and enacted as P.A. 201 of 2012, once again include incentive funding in Section 22f of \$52 per pupil for local districts and public school academies that meet at least 7 of 8 best practices. The required best practices are: district participates in schools of choice under Sections 105 or 105c of the State School Aid Act, district is the policy holder of all employee health benefit packages, district obtains a competitive bid for a non-instructional service for 2012-2013, district provides a dashboard of specific education data to parents and community members, district provides dual enrollment or other opportunities for postsecondary coursework, district provides online or blended learning opportunities, district provides a health and/or physical education curriculum consistent with specific state board policies, and the district measures student growth at least twice annually and reports that growth to parents. The Department's Financial Best Practices Incentive Guidance is being revised to indicate the

requirements that districts/academies must meet to qualify for the Section 22f funds. Notification of that guidance with the proper web address will be sent to districts via a forthcoming MDE Official Communication.

Also, P.A. 201 includes incentive funding of an additional 3.2% of Section 81 funding for intermediate districts that meet at least 4 out of 5 best practices. The required best practices for ISDs are: the ISD enters into a Service Consolidation Agreement with the Department, the ISD obtains a competitive bid on the provision of one or more non-instructional services with a value of \$50,000 or more, the ISD develops a technology plan on behalf of all its constituent districts that integrates technology into the classroom, the ISD provides a dashboard of specific data to parents and the community, the ISD works in consortium with one or more other ISDs to develop information management system requirements and bid specifications that can be used as statewide models. Guidance will be forthcoming on the ISD Best Practice funding as well. Questions related to the best practices incentives should be directed to Glenda Rader, Office of State Aid and School Finance, at (517) 335-0524 or by e-mail at RaderG@Michigan.gov.

PUPIL COUNT ADJUSTMENTS RELATED TO CLOSED ACADEMIES

Language in Section 6(4)(z) of the State School Aid Act, states that if a Public School Academy (PSA) was not in its first or second year of operation and closed at the end of the school year, the Supplemental (February) count for that PSA is to be given to the district(s) that enrolled the pupil in the subsequent fall for any pupil that had been counted by the PSA in the prior February. Districts that counted such pupils in October 2011 saw an adjustment for those pupils in their June 2012 payment. The State School Aid Financial Status Report denotes those adjustments in the upper right hand side on the line labeled "Supplemental 2011 Includes x.xx Transfers" where x.xx denotes the FTE value. Questions may be directed to Brian Ciloski, Office of State Aid and School Finance, (517) 373-3352 or by e-mail at CiloskiB@Michigan.gov.

SECTION 31A AT-RISK PROGRAM REPORTS

Local districts and public school academies receiving FY 2012 funds under Section 31a At-Risk were required to submit the FY 2012 Section 31a Program Report to the Department by July 16, 2012. **For local school districts and public school academies that missed the July 16, 2012 due date, the Section 31a program report must be submitted as soon as possible but no later than July 31, 2012.** The report form is available in the Michigan Electronic Grants System Plus (MEGS+) at <http://mdoe.state.mi.us/MEGSPLUS/>. If the report is not submitted by July 31, 2012, an amount equal to the district's Section 31a August installment will be withheld from the August state aid payment as required by language in Section 31a of the State School Aid Act. These funds will be forfeited if the report is not received by September 30, 2012. If you have questions regarding the Section 31a program and reporting requirements, please contact your Regional Education Consultant in the Office of Field Services, at (517) 373-3743. If you have MEGS+ related questions contact Judy Thelen, Analyst, Office of Field Services at (517) 335-1266 or e-mail at ThelenJ8@Michigan.gov.

TAXABLE VALUE SYSTEM UPDATES

The online taxable valuation collection system has been made available for county treasurers to input tax year 2012 values to be used when calculating FY 2013 State School Aid. These values are due by September 1, 2012. The URL is <http://mdoe.state.mi.us/TaxableValue>. Please encourage your treasurer to report these values if they have not already done so. 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, Office of State Aid and School Finance, at (517) 335-4059 or e-mail at BooneP2@Michigan.gov.

GENERAL INFORMATION

- **Proration factors:** Section 31a – At Risk funding per pupil proration is \$295.19240865720. Section 56 - Special Ed Millage Equalization proration is .8789123073. Section 62 – Vocational Ed Millage Equalization proration is .9381241653.
- The Section 152a Headlee Obligation for Data Collection funds are being paid at \$21.7620200623 per pupil.
- The Supplemental count (February 2012) ISD audited FTE values are due to the Center for Educational Performance and Information by July 25, 2012.
- July 25, 2012 is the first Adult Education participant count date for the school year 2012-2013. These counts should be reported to CEPI with the October 2012 FTE data.
- October 3, 2012, the first Wednesday in October, is the **Pupil Membership Count Date** for FY 2012-2013.

Do you have questions about the information appearing in this UPDATE? Call the consultants identified above or **Dan Hanrahan, Director, State Aid and School Finance, MDE**, phone: (517) 335-0521, fax: (517) 241-0196, e-mail: HanrahanD@Michigan.gov