

STATE SCHOOL AID UPDATE

Michigan Department of Education



March 2013

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MARCH PAYMENT INFORMATION

The March state school aid payment is the sixth regular payment of the 2013 fiscal year. The payment will be electronically transferred to the districts' accounts on Wednesday, March 20, 2013.

Taxable value - The March payment continues to use the beginning 2012 tax roll non-homestead taxable value data, as provided by the county treasurers via the web based taxable valuation collection process. These data can be viewed by school district personnel on the Department's website. The URL is: <https://mdoe.state.mi.us/TaxableValue/>. To view your data, click on "Public Access," and then choose your district code and the appropriate tax year from the drop-down menus.

Pupil membership - October 2012 pupil count data (audited for most districts) and audited February 2012 pupil counts were used in the calculation of the blended membership count for the March payment used to calculate the **Section 20 Foundation** allowances.

Updated categoricals - The following categoricals were updated in the March payment although the updates may not have affected the allocation amounts for all districts. If the allocation amount for your district has changed and you have questions concerning that change, contact the consultants identified below:

- School for Deaf Tuition Deducts – Section 51a (Dianne Easterling, Special Education, (517) 241-1235, EasterlingD@Michigan.gov)
- Technology Infrastructure Improvement Grants - Section 22i, (Bruce Umpstead, Education Improvement and Innovation (517) 373-3186, UmpsteadB@Michigan.gov)
- Special Education – Section 54 (Dianne Easterling, Special Education, (517) 241-1235, EasterlingD@Michigan.gov)
- MPSERS Cost Offset – Section 147a, (Glenda Rader, State Aid and School Finance (517) 335-0524, RaderG@Michigan.gov)

SECTION 23A DROPOUT RECOVERY FUNDING

House Bill 5267 was signed by the Governor and enacted as 2012 PA 465. Among other things, PA 465 amends the State School Aid Act by authorizing a new Section 23a and a new Subsection 6(4)(ff). This language allows school districts operating eligible Dropout Recovery Programs to claim one twelfth (1/12th) of a Full Time Equivalency (FTE) for each month that an eligible pupil was enrolled in the program and was in full attendance, as described in the Act.

The Center for Educational Performance and Information (CEPI) has posted a communication letter on the CEPI website in the communication box related to Section 23a pupils at:

http://www.michigan.gov/cepi/0,4546,7-113-986_50502---,00.html

Districts are required to submit a claim form to count Section 23a pupils. The instructions and claim form are located on CEPI's Single Record Maintenance (SRM) page at:

http://www.michigan.gov/cepi/0,4546,7-113-986_50502_53650---,00.html

Questions related to the CEPI process should be directed to CEPI customer support at CEPI@michigan.gov or call (517) 335-0505 and select option 3. Questions related to the School Aid Act language can be directed to Brian Ciloski at CiloskiB@Michigan.gov or (517) 373-3352.

SECTION 22F BEST PRACTICES FUNDING

As in FY 2012, Section 22f of the State School Aid Act allocates funds for districts meeting the identified best practices. Districts must meet seven of eight best practices identified in the statute and submit a Board adopted resolution confirming the district's eligibility. The Department's Best Practice Guidance that identifies the criteria including a sample resolution can be found at:

At this time last year, significantly more districts had submitted the required resolution and were, therefore, receiving the best practice funding. This is to remind districts that in order to receive funding this school year, a resolution for FY 2013 must be submitted. That is, the FY 2012 resolution does not carry over for FY 2013. For questions related to this item, please contact John Hayner, State Aid and School Finance, (517) 241-0495 or HaynerJ1@Michigan.gov.

PLANNED NUMBER OF DAYS AND CLOCK HOURS OF PUPIL INSTRUCTION (DS-4168-B)

Legislation no longer requires districts to report to the Department the **planned** number of days and hours of pupil instruction. This report was originally captured by the "Planned Number of Days and Clock Hours of Pupil Instruction" (form DS-4168-B) during April of each year, but has subsequently been removed as a requirement from Section 101 of the State School Aid Act. Districts are still required to report the **actual** number of hours and days of pupil instruction no later than August 1 of each year. Questions related to the applicable School Aid Act language can be directed to Brian Ciloski at CiloskiB@Michigan.gov or (517) 373-3352.

DEFICIT FUND BALANCE INFORMATION

Districts that budget a negative fund balance either in the current year or in the upcoming FY 2014 should notify MDE as soon as possible. Please note that MDE staff will review budget information from all of the districts' websites after July 1, 2013. The Department will notify those districts found to have adopted deficit budgets that a Deficit Elimination Plan (DEP), or revised DEP for those districts already operating under an approved DEP, is to be submitted to the Department within 30 days of notification from the Department or 30 days after the state school aid budget is passed, whichever is later. The standard DEP spreadsheet, MDE requirements, and a list of districts currently operating under an approved DEP are available on our website at: http://www.michigan.gov/mde/0,1607,7-140-6530_6605-106599--,00.html. With questions related to this item, contact Jeff Kolb, State Aid and School Finance, (517) 373-1908 or email: KolbJ2@Michigan.gov.

INDIRECT COST INFORMATION

The Office of State Aid and School Finance will soon be posting the preliminary FY 2014 Indirect Cost Rates on our website at http://www.michigan.gov/mde/0,4615,7-140-6530_6605-118785--,00.html. Once the rates are available on the website, we will send an e-mail related to the process that districts should use to appropriately adjust those rates. The e-mail will be sent to both superintendents and business managers of each district. Questions related to the process should be addressed to Phil Boone at BooneP2@Michigan.gov or (517) 335-4059.

IMPORTANT DATES TO REMEMBER

- The 4th quarterly count date for **Adult Education** program participants is the 4th Wednesday in April, **April 24, 2013**.
- **March 20, 2013** is the deadline for ISDs to submit to the Center for Educational Performance and Information (CEPI) the **Audited FTE Counts** for the October 3, 2012 pupil membership count day.
- February 13 was the FY 2012 Supplemental count date. The Michigan Student Data System (MSDS) records for the **Supplemental count** date are due to the CEPI by **March 20, 2013** and are to be certified by **March 27, 2013**.

GENERAL INFORMATION

- The proration factor for Section 31a - At Risk funding is \$307.1231303743 per pupil.
- The Headlee Obligation for Data Collection funds are being paid at a rate of \$24.5045539405 per pupil.