

STATE SCHOOL AID DATA UPDATED FOR APRIL

The April state school aid payment is the 7th regular payment of the year and reflects 63.63% 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 Friday, April 20, 2018. The **Pupil membership blends** have been updated with the audited counts reported to CEPI as of March 28, 2018. Tax year 2016 millage rates have been used until now as estimates, but the April 2018 payment database has been updated with actual tax year 2017 millage rates.

INDIRECT COSTS

Current [indirect cost rate information](#) will be posted to the MDE website Monday, April 23rd. The new rate information includes Special Education rates for 2017-2018 and preliminary rate information for 2018-2019. Form R0418A, *Costs for the Development of 2018-2019 Federal Indirect Cost Rates* details the cost data used to calculate preliminary indirect cost rates. Form R0418, *Carry Forward Calculation for 2018-2019 Federal Indirect Cost Rates* shows the results of the preliminary calculation. Form DS-4513 allows the district to edit preliminary cost information to reflect more accurate indirect cost rates. If you have any questions or comments, please contact Jessica Beagle at 517-241-6435 or BeagleJ1@Michigan.gov.

APRIL 2018 MSBO CONFERENCE

Office of State Aid and School Finance staff will be attending and presenting at the annual MSBO conference in Grand Rapids at various times April 16, 2018 through April 18, 2018. We will also have staff members available at a booth during the vendor show. We look forward to seeing you there. Feel free to catch up to us with any questions or concerns.

BUDGET TRANSPARENCY

March 1 was the deadline for updating Employee Compensation Information. Please ensure this section on your Budget Transparency page has been updated with calendar year 2017 data. The superintendent's compensation information must be disclosed, regardless of salary amount. In addition to the superintendent, all district employees whose salary exceeds \$100,000 must also be disclosed. Questions related to Budget Transparency may be directed to Chad Urchike at UrchikeC1@michigan.gov or 517-335-1261.

ASSESSMENT WINDOWS AND INSTRUCTIONAL TIME

A number of districts have contacted the Department for advice on how to best meet the instructional day requirement while providing an environment conducive to testing. In short, grades that are not scheduled for instruction due to the state assessment window must still be provided with 180 days of instruction to avoid a state aid deduction. The following document explains the requirements in more detail, and provides a number of options for district consideration when planning their instructional calendar: [Instructional Time Requirements and the State Assessment Window](#).

MPSERS REFORMS – DEFINED CONTRIBUTION PAYMENTS

Beginning this month, your State School Aid payment will include a reimbursement for increased retirement costs due to the passage of Public Act 92 of 2017. The state's reimbursement consists of the 4-percent mandatory employer contribution (effective October 1, 2017) for participants in the Defined Contribution (DC) plan, and the difference between Pension Plus and Pension Plus 2 (effective February 1, 2018) employer normal cost contributions (3.13 percent for the fiscal year ending September 30, 2018). This new amount will not appear on your employer statement, and ORS will not invoice you for it, because it is a reimbursement for contributions you will be paying through the rest of the fiscal year.

For fiscal year 2018, an initial, estimated Section 147e reimbursement amount will be applied to April State Aid payments. This amount will be adjusted using actual salary data for May State Aid payments, and final reimbursements for the fiscal year will be applied to August State Aid payments. If you have questions, contact Employer Reporting at ORS_Web_Reporting@michigan.gov.

GENERAL INFORMATION

- The proration factor for Section 31a-At Risk funding is 88.02388639%.
- The Headlee Obligation for Data Collection funds are paid at a rate of \$25.3769589127 per pupil.
- The Section 22d(4) Isolated District funds are paid at a rate of \$45.7430826699 per pupil.

*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.