

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 Tuesday, April 20, 2021. The **Pupil membership blends** have been updated with the audited counts reported to CEPI as of March 29, 2021.

INDIRECT COSTS

Current [indirect cost rate](#) information will be posted to the MDE website Tuesday, April 20. The new rate information includes Special Education rates for 2020-2021 and preliminary rate information for 2021-2022. Form R0418A, **Costs for the Development of 2021-2022 Federal Indirect Cost Rates**, details the cost data used to calculate preliminary indirect cost rates. Form R0418, **Carry Forward Calculation for 2021-2022 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.

Form DS-4513 was updated previously to improve processing and workflow. The most significant change to the form includes a tab specifically for sub-contract exclusions. Districts must request an exclusion for any contracted service in excess of \$25,000 that impacts the direct cost base. This tab is designed to allow the user to enter the total contract amount and the amounts charged to each function code or grouping, as it is organized on form R0418A. The subcontracts tab will proportionately subtract the first \$25,000 and calculate the exclusion.

Two video tutorials are included on the [indirect webpage](#) to assist districts with the indirect process and completing the DS-4513. Each tutorial addresses different sections of form DS-4513. You may review a particular section of interest or watch the videos in their entirety. The videos may be particularly helpful if you are new to the indirect process, have questions about completing the subcontracts section, or are new to Head of Component.

Districts with membership greater than 2,999 will be required to complete the Head of Component tab (Part IV-HOC). Districts required to complete this worksheet will submit an organizational chart along with form DS-4513. A list of districts with membership greater than 2,999 will be provided on the indirect website as well. We strongly encourage districts to enter a Business Manager contact in the [Educational Entity Master \(EEM\)](#) to receive Head of Component communications.

Form DS-4513 is due June 1 and will continue to be accepted through the online portal:
<https://fs10.formsite.com/SASF/form14/index.html>.

If you have any questions or comments, please contact Jessica Beagle at BeagleJ1@michigan.gov.

ACCOUNTING FOR USDA "EXTENDED" SUMMER FOOD SERVICE PROGRAM FUNDS IN FY 20-21

All revenues and expenditures during food service operations of the USDA "Extended" Summer Food Service Program (SFSP) in FY 20-21 should be tracked and reported to the Summer Food Service Program grant code 858 in the Food Service Fund (Fund 25). If possible, track these revenues and expenditures separately from regular SFSP (July-August 2020) in case any special funding becomes available. Knowing the true cost of operating during this crisis will assist if additional emergency funds are offered. These expenses will need to flow to the "All Other Programs" column on the FID School Meals Report. Coding to SFSP grant code 858 will accomplish that.

Questions regarding coding or allowable costs can be sent to the Office of Health and Nutrition Services' Fiscal Monitoring Team at MDE-Fiscal@michigan.gov or 517-241-5380.

31f STATE SUPPLEMENTAL BREAKFAST PAYMENTS PRORATION

The FY 19-20 (or FY20) Prior-year Adjustment for 31f (State Supplemental Breakfast) is prorated at 73%. A School Aid Supplemental appropriation bill has not passed. We anticipate that if an FY20 supplemental is enacted it will include an increase to this appropriation.

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 2020 data. The superintendent's compensation information must be disclosed, regardless of salary amount. In addition to the superintendent, all district employees with Medicare wages above \$100,000 must also be disclosed. Please direct Budget Transparency questions to Chad Urchike at UrchikeC1@michigan.gov or 517-335-1261.

GENERAL INFORMATION

- The proration factor for Section 31a-At Risk funding is 78.59350004%.
- The weighted average for Section 31a - At Risk funding is \$8,214.
- The Headlee Obligation for Data Collection funds are paid at a rate of \$ 25.9924576352 per pupil.
- The Section 22d(4) Isolated District funds are paid at a rate of \$ 52.3308513414 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**, cell phone: **517-899-0796**, e-mail: BooneP2@Michigan.gov.