



STATE OF MICHIGAN  
DEPARTMENT OF EDUCATION  
LANSING

RICK SNYDER  
GOVERNOR

BRIAN J. WHISTON  
STATE SUPERINTENDENT

**MEMORANDUM**

**DATE:** December 7, 2017

**TO:** Local and Intermediate School District Superintendents  
Public School Academy Directors

**FROM:** Kyle L. Guerrant, Deputy Superintendent *KG*

**SUBJECT:** BULLETIN 1022 – CHANGE NOTICE #26

The purpose of this correspondence is to transmit *Michigan Public School Accounting Manual Change Notice 26*.

The following attachment gives the detail for pages in the manual that have been changed. You may print those pages from our website. Please communicate these changes to others in your district that may be in possession of the *Michigan Public School Accounting Manual* to ensure that all school district accounting manuals remain current. The entire manual along with this change notice is also available electronically on the [Michigan Public School Accounting Manual](#) page of our website.

The *Michigan Public School Accounting Manual* contains the state prescribed chart of accounts to be used by all public school districts in Michigan. According to the Revised School Code, Section 380.1281:

- 1) The Department shall:
  - a) Require each board, each public school academy board of directors, each intermediate school board, and the officers of each of those boards to observe the laws relating to schools...prescribe appropriate uniform pupil and financial accounting records for use in school districts, public school academies, and intermediate school districts and promulgate rules for their adoption.

The Department may examine and audit the official records and accounts of school districts, public school academies, and intermediate school districts, and may compel proper accounting by legal action instituted by direction of the attorney general.

Michigan Department of Education staff and members of the *Michigan Public School Accounting Manual* referent group will continue their efforts to ensure uniformity in the recording and reporting of Michigan public school district accounting transactions

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608 WEST ALLEGAN STREET • P.O. BOX 30008 • LANSING, MICHIGAN 48909  
[www.michigan.gov/mde](http://www.michigan.gov/mde) • 517-373-3324

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via updates to this manual. **The changes listed in Change Notice #26 are to be implemented for fiscal year 2018-19.**

If you have questions concerning the *Michigan Public School Accounting Manual*, please contact Christopher May at (517) 335-1263 or [MayC@michigan.gov](mailto:MayC@michigan.gov).

Attachment

cc: Michigan Education Alliance

**Change Notice 26**

<b>Section</b>	<b>Sub-Section</b>	<b>Change</b>	<b>Discard Page #</b>	<b>Add Page #</b>
Bulletin 1022 Committee Members	N/A	Updated Members of Michigan Public School Accounting Manual Referent Group	N/A	N/A
Section II	E.04	Clarified deficit fund balance definition for reporting purposes	37	37
Section IV	B.01	Revised statutory references pertaining to deficit budgets and deficit fund balances	5	5
Appendix	Balance Sheet Major Class Codes	Added Major Class Code 196 – Deferred Outflows (OPEB)	6	6
Appendix	Balance Sheet Major Class Codes	Added Major Class Code 496 – Deferred Inflows (OPEB)	11	11
Appendix	Balance Sheet Major Class Codes	Revised allowable funds and description of Major Class Code 594	12	12
Appendix	Balance Sheet Major Class Codes	Added Major Class Code 595 – Other Post-Employment Benefits (OPEB) Liability	12	12
Appendix	Expenditure Function Codes	Revised allowable funds of Function Codes 22x	27	27
Appendix	Expenditure Object Codes	Added reference to certain electronic textbooks to Object Code 5210	43	43
Appendix	Program Codes	Updated with Current Programs, revised allowable functions	48-51	48-51
Appendix	Grant Codes	Updated with Current Grants	52-60	52-60