

**JANUARY 11, 2019 REVENUE ESTIMATING CONFERENCE**

A revenue estimating conference was held on January 10, 2020 to update revenue projections for fiscal year (FY) 2020, FY 2021, and to make initial projections for FY 2022. FY 2020 revenue projections for both the general fund and the state school aid fund were revised at the conference. The general fund projection was revised upward by \$235.2 million and the school aid fund projection was revised upward by \$85.7 million. For detailed information on the January revenue estimating conference, go to the [House of Representative Fiscal Agency website](#) or [Senate Fiscal Agency website](#).

**GOVERNOR'S FY 2021 STATE BUDGET**

While no one can say for certain at this time what the revenue consensus from the above referenced conference may mean for future state school aid budgets, one indication will come when the Governor unveils her proposed budget for FY 2021 in February. Of course, the budget cycle will then run its full course through the legislative process before enactment in appropriation bills. Also, the Governor's State of the State address is scheduled for January 29, 2020 which can always include education news.

**JANUARY PAYMENT INFORMATION**

The January state school aid payment is the fourth regular payment of the 2020 fiscal year. The payment will be electronically transferred to the districts' accounts on Tuesday, January 21, 2020.

**Taxable value** - The January payment continues to use the beginning 2019 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 Taxable Value Management System](#) website.

To view your data, click on "Public Access," and then choose your district code and the appropriate tax year from the drop-down menus.

**Restored categoricals** - The following categoricals were restored in the January payment as a result of the budget compromise agreed to in December and signed by Governor Whitmer right before the holiday break. If you have questions concerning that restored categorical, contact the consultants identified below:

- Isolated Districts – Section 22d(2) and 22d(4), (Phil Boone - State Aid and School Finance, 517-335-4059, [BooneP2@Michigan.gov](mailto:BooneP2@Michigan.gov)). Funding under 22d(4) now includes three tiers of funding with different per-pupil amounts at 8, 9, and 10 pupils per square mile. See "General Information" below for per-pupil amounts.
- Strict Discipline Academies – Section 25f, (Jeff Kolb - State Aid and School Finance 517-335-1908, [KolbJ2@Michigan.gov](mailto:KolbJ2@Michigan.gov))
- At-Risk – Section 31a(2), (Phil Boone - State Aid and School Finance, 517-335-4059, [BooneP2@Michigan.gov](mailto:BooneP2@Michigan.gov)). The new budget changed both 31a(2) and 31a(4) in an effort to hold districts harmless for their first year in Community Eligibility Provision status. We have completed the reprogramming for 31a(2), and are working towards the goal of completing 31a(4) prior to the February payment.
- Foundation Grant – Section 20, (Phil Boone - State Aid and School Finance, 517-335-4059, [BooneP2@Michigan.gov](mailto:BooneP2@Michigan.gov)). The new budget restores the foundation increase for Public School Academies, bringing all up to \$8,111 per pupil.

## **MICHIGAN PUBLIC SCHOOL ACCOUNTING CHANGE NOTICE #30**

[Change Notice #30](#) updating the *Michigan Public School Accounting Manual* was distributed on January 9, 2020. Unless otherwise required, the changes listed in the notice are to be implemented for the 2020-21 fiscal year. These changes have been incorporated into the manual, which is available on the [Department's website](#). Questions related to the change notice or public school accounting should be directed to Christopher May at 517-335-1263 or by e-mail at [MayC@Michigan.gov](mailto:MayC@Michigan.gov).

## **SUPPLEMENTAL COUNT DAY**

The second count date of the school year, February 12, 2020, is quickly approaching. As a courtesy to the field, the Department would like to remind all districts that schools must be open and scheduled for regular instruction on each count day prescribed in legislation. Only a district that is not in session on that day due to conditions not within the control of school authorities will be allowed to use the immediately following day on which the district is in session for count purposes, and only if the district requested and received written approval from the Department for the alternate count date. If your district was closed on count day due to unforeseen conditions, please use the following form to request an alternate count date: <https://fs10.formsite.com/SASF/form8/index.html>.

## **SECTION 101 – SCHOOL DAY CANCELLATIONS AND FORGIVEN TIME**

Section 101 of the State School Aid Act (MCL 388.1701) remains the same as FY 2019 with regard to the cancellation of instructional time. The language continues to grant districts six (6) days and/or the equivalent number of hours to use toward cancellations that occur due to conditions beyond the control of school authorities, commonly referred to as “forgiven time” or “snow days.” Language remains that grants the State Superintendent the authority to grant up to three (3) additional days or equivalent hours cancelled as instruction, provided the cancellation is due to unusual and extenuating circumstances resulting from conditions not within the control of school authorities. Districts must provide strong rationale supporting why these days cannot be rescheduled before the end of the school year. Applications for additional forgiven time will only be accepted through the [online form](#) beginning February 1. Questions regarding this item should be directed to Jessica Beagle at [BeagleJ1@Michigan.gov](mailto:BeagleJ1@Michigan.gov).

## **COUNTING QUALIFYING PROFESSIONAL DEVELOPMENT TOWARD REQUIREMENTS**

New for 2019-20, Section 101(1) of the State School Aid Act (MCL 388.1701(10)) allows districts to count up to 38 hours of qualifying professional development time for teachers as hours of pupil instruction if all of the following requirements are satisfied:

- A district-wide professional development advisory committee appointed by the district board recommends at least 8 hours of the professional development. The advisory committee must be composed of teachers employed by the district who represent a variety of grades and subject matter specializations, including special education; nonteaching staff; parents; and administrators. The majority membership of the committee shall be composed of teaching staff.
- If the professional development is provided online, the district must have approved the instruction.
- The professional development hours are used to offset instructional time for pupils whose teachers participated in the professional development.
- For professional development to be considered qualifying professional development under this subsection, the professional development must meet all of the following:
  - The professional development is aligned to the school or district improvement plan for the school or district in which the professional development is being provided.
  - The professional development is linked to 1 or more criteria in the evaluation tool developed or adopted by the district or intermediate district under Section 1249 of the Revised School Code, MCL 380.1249.

- The department has approved the professional development and confirmed it may be counted for state continuing education clock hours. The number of hours of professional development counted as hours of pupil instruction may not exceed the number of state continuing education clock hours for which the qualifying professional development was approved.
- Not more than a combined total of 10 hours of the professional development takes place before the first scheduled day and last scheduled day of school for that school year.
- No more than 10 hours of qualifying professional development takes place in a single month.
- At least 75% of teachers scheduled to participate in the professional development are in attendance.

If the district meets the above requirements, and if the qualifying professional development exceeds 5 hours in a single day, that day may be counted as a day of pupil instruction.

Retroactivity can be awarded for professional development programs that took place from July 1, 2019 through December 12, 2019, if all legal requirements were met. This retroactivity will provide districts with the ability to use qualifying professional development as instructional hours, if compliant with statute. Please refer to the [December 12, 2019 memo](#) for additional information.

Questions related to pupil counts and instructional time should be directed to Jessica Beagle at [BeagleJ1@Michigan.gov](mailto:BeagleJ1@Michigan.gov).

### **IMPORTANT DATES TO REMEMBER**

- **February 1** is the due date for districts and ISDs to report to the local health department the **immunization status** of each new pupil in grades K-12 who enrolled in the district or ISD for the first time during the immediately preceding calendar year and all 6<sup>th</sup> graders, pursuant to State School Aid Act Section 167. (Helpdesk – 888-243-6652)
- **February 12** is the **supplemental count day** for all districts, ISDs, and PSAs and the 3<sup>rd</sup> quarterly count date for adult education participants.

### **GENERAL INFORMATION**

- The proration factor for the Section 31a - At Risk funds is 79.16613444%.
- The Headlee Obligation for Data Collection funds are being paid at \$25.7991292243 per pupil.
- 22d(4) funds are being paid at \$51.62 per pupil for districts with fewer than 8 pupils per square mile, \$38.72 per pupil for districts with at least 8 but fewer than 9 pupils per square mile, and \$25.81 per pupil for district with at least 9, but fewer than 10 pupils per square mile.

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\*Do you have questions about the information appearing in this UPDATE? Call the consultants identified above or **Phil Boone, State Aid and School Finance, MDE**, phone: **517-335-4059**, fax: **517-241-0196**, email: [BooneP2@Michigan.gov](mailto:BooneP2@Michigan.gov)