

STATE SCHOOL AID DATA UPDATED FOR JUNE

The following **categorical** was updated in the June payment although the update 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 consultant identified below:

- School Breakfast – Section 31f (Wendy Crowley – School Support Services – 517-373-0406, CrowleyW@michigan.gov)

FY 2019 SCHOOL AID

The School Aid budget for FY 2019 has made it through the Conference Committee. It will presumably see approval in both the House and Senate in these last few days before the legislature breaks for summer recess. Once approved in both chambers it will be presented to the Governor for signature. There is always the possibility of vetoes. Following are some highlights of the bill:

- The per pupil **Foundation Grants for FY 2019** will increase by a range of \$120 to \$240 using the “2X formula.” The increase will be added to the FY 2018 foundation grant resulting in the lowest foundation for FY 2019 being \$7,871 and the maximum state guaranteed foundation being \$8,409.
- The **Pupil Membership Blend** will remain at 90% of the current school year October count and 10% of the prior school year February count.
- The Section 31a **At-Risk** funding is maintained at \$499,000,000.
- The per pupil funding under **Sections 20f(2) and 20f(4)** will be equal to the per pupil funding under those Sections in 2017-18.
- **Section 147c** is increased by \$71,916,000 to reflect lower rates of return on investments.
- **ISD General Operation** funding under **Section 81** increases to \$68.4 million.

New Programs include:

- Section 25h - \$100,000 for High School Dropout Prevention
- Section 31m - \$30,000,000 for the School Mental Health and Support Services Fund
- Section 35a(8) - \$500,000 for the Summer Reading Project
- Section 54d - \$5,000,000 for the Early On Special Education Task Force
- Section 61d - \$5,000,000 for Career and Tech. Ed. Incentives
- Section 99x - \$25,000 for the Dana Center to encourage Remedial Education

Boilerplate Changes include:

New language in Section 35a has been added which requires the Superintendent to designate any staff hired or contracted under 35a as critical shortage.

Language in Section 99s requiring reporting on numbers of male and female participants in MiSTEM Centers and on efforts to reduce disparity have been removed.

The summary provided above should not be considered a complete description of the content of House Bill 5579. Additional bill information and details may be found on the [legislature website](#).

INDIRECT COST RATES

Adjustments to local and intermediate school district Indirect Cost Rates were due to the Department by June 1, 2018. The process of recalculating rates is nearly complete and final rates will soon be available on the [Department's website](#). We expect to post final rates on or before Monday, June 25th. Questions related to the indirect cost rate calculations should be directed to Jessica Beagle, State Aid and School Finance, at 517-241-6435 or BeagleJ1@Michigan.gov.

DAYS AND CLOCK HOURS REPORTING

Deadlines: The district deadline for submitting the Days and Clock Hours of Instruction Report for the 2017-18 school year is July 13, 2018. Intermediate districts will have until August 1, 2018 to certify the district data for submission to the Department as required under Section 101(3) of the State School Aid Act. Districts are encouraged to submit their days and clock hours report to the ISD early where possible to allow for adequate time to review and correct issues with the submission.

Reporting: The days and hours reporting has been integrated into the Educational Entity Master (EEM) and is accessible through the "Days and Clock Hours" application link in the left navigation. After clicking on the link, users will select "Data Submission" to start their report for the year.

Note: The "Days and Clock Hours" application requires specialized credentials to access the system. If the "Days and Clock Hours" application link does not appear in the left navigation after logging into the EEM, please contact CEPI for assistance in gaining access to the application. Questions regarding the Days/Clock Hours application should be directed to CEPI Support at CEPI@Michigan.gov.

CARRYOVER OF EARLY LITERACY GRANT FUNDS

Districts or Intermediate School Districts that have received Section 35a Early Literacy Grant Funds for Additional Instructional Time or Literacy Coaches and are unable to expend the funds by September 30, 2018 are eligible to carryover those funds until September 30, 2019. Grant awardees must provide notification to MDE-EarlyLiteracy@michigan.gov no later than **October 31, 2018** if they intend to carryover unexpended funds. For more information regarding carryover of Section 35a early literacy funds, please refer to the [memo](#) that was sent out on December 14, 2017.

INTERMEDIATE SCHOOL DISTRICT FINANCIAL REPORTING REMINDERS

Intermediate School Districts (ISDs) are required to post certain information on their website to comply with Budget Transparency legislation in Section 18 of the State School Aid Act (MCL 388.1618). Specifically, ISDs are required to post information found in Subsections 2a, 2bi, and 2c.

In addition to the above, ISDs must also post an Annual Website Report on their website (MCL 380.620). This report must be posted by December 31 of each year and include data from the most recently completed fiscal year. For statewide consistency, the Department recommends providing a link to the Annual Website Report at the bottom of your Budget Transparency web page.

Questions related to Budget Transparency and the Annual Website Report may be directed to Chad Urchike at UrchikeC1@Michigan.gov or 517-335-1261.

SECTION 64b DUAL ENROLLMENT INCENTIVE FUNDS

Incentive payments for supporting postsecondary opportunities for students remain available in 2017-18. A maximum of \$60 per course can be claimed by coding eligible courses as "10" in the Teacher Student Data Link (TSDL) collection upon completion of a course. Incentive payments are limited to one course per student, per year, and will be included in districts' August state school aid payments following claim processing and course verification. Questions related to the processing of Section 64b Dual Enrollment Incentives and the TSDL collection may be directed to the Center for Educational Performance and Information (CEPI) at 517-335-0505 or cepi@michigan.gov. Questions related to dual enrollment and eligibility for these incentives may be directed to Eric Lipinski at 517-241-6895 or LipinskiE@michigan.gov.

GENERAL INFORMATION

- **Proration factors:** Section 31a – At-Risk funding per pupil proration is 88.02330261%.
- The Section 22d(4) Isolated District funds are being paid at \$45.4530838321 per pupil.
- The Headlee Obligation for Data Collection funds are being paid at \$25.3767680922 per pupil.

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