

FY 2021 SCHOOL AID

The School Aid budget for FY 2021 is a work in progress at this time. Responding to the COVID-19 pandemic has taken much of the time and energy that the Legislative and Executive branches would normally have spent on budget development. As tax collections have fallen, it is possible we may see another Consensus Revenue Estimating Conference take place later this summer. Unfortunately, it is likely we will see some very difficult decision-making take place late in the budget development cycle.

FINANCIAL ACCOUNTING GUIDANCE DURING THE COVID-19 PANDEMIC

The Michigan Department of Education (MDE) has received many questions about financial accounting for transactions related to the COVID-19 pandemic, school closures, and implementation of a Continuity of Learning and COVID-19 Response Plan. To address many of these questions, [Financial Accounting Guidance During the COVID-19 Pandemic](#) has been published. This publication will be updated frequently as MDE continues receiving additional questions from districts and information regarding state and federal financial reporting requirements. Questions regarding this item may be directed to Christopher May at 517-335-1263 or MayC@michigan.gov.

2018-19 ESSA SCHOOL-LEVEL EXPENDITURE REPORT NOW AVAILABLE

Following a two week preview period for school districts earlier this month, the [School-Level Expenditure Report](#) for 2018-19 as required by the federal Every Student Succeeds Act (ESSA) is now available on the [MI School Data Annual Education Report page](#). Please see the [ESSA School-Level Financial Reporting webpage](#) for past communications, MDE's school-level per-pupil expenditure calculation methodology, and other resources related to this reporting. Questions regarding this item may be directed to Christopher May at 517-335-1263 or MayC@michigan.gov.

INDIRECT COST RATES

Adjustments to local and intermediate school district Indirect Cost Rates were due to the Department by June 1, 2020. Final rates will be available on the Department's [indirect cost rates webpage](#) on June 22, 2020. 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 2019-20 school year is July 15, 2020. Intermediate districts will have until August 1, 2020 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.

SECTION 31A ANNUAL PROGRAM AND FISCAL REPORT DUE JULY 15, 2020

Local educational agencies (LEAs) receiving Section 31a At Risk funds are required to submit the Fiscal Year (FY) 2020 Section 31a Annual Program and Fiscal Report (APFR) in MEGS+ by **July 15, 2020**.

Please direct questions regarding the Section 31a APFR as follows:

Program and reporting requirements to the Office of Educational Supports (OES) Special Populations Unit at 517-241-6974:

- Michelle Williams, Manager, williamsm48@michigan.gov
- Dawn Carmody, Consultant, carmodyd1@michigan.gov
- Stephanie Holmes-Webster, Consultant, holmeswebsters@michigan.gov
- Joan Jackson, Consultant, jacksonj33@michigan.gov
- Suzanne Grambush, Consultant, grambushs1@michigan.gov

MEGS+ Section 31a APFR may be directed to the OES Financial Unit at 517-241-5388:

- Judy Thelen, Analyst, thelenj8@michigan.gov or 517-335-1266

CARRYOVER OF EARLY LITERACY GRANT FUNDS

Districts or Intermediate School Districts that have received Section 35a Early Literacy Grant Funds for Additional Instructional Time, Literacy Coaches, or Summer School Reading Programs and are unable to expend the funds by September 30, 2020 are eligible to carryover those funds until September 30, 2021. Grant awardees must provide notification to MDE-EarlyLiteracy@michigan.gov no later than **October 31, 2020** 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 March 28, 2019.

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.

GENERAL INFORMATION

- **Proration factors:** Section 31a – At-Risk funding per pupil proration is 78.69094743%.
- The Section 22d(4) Isolated District funds are being paid at \$51.6608311453 per pupil.
- The Headlee Obligation for Data Collection funds are being paid at \$25.7866870122 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, MDE**, phone: **517-335-4059**, fax: **517-241-0196**, e-mail: BooneP2@Michigan.gov