

## **NOVEMBER PAYMENT INFORMATION**

The November state school aid payment is the second fiscal year 2017 payment. The payment will be electronically transferred to the districts' accounts on Monday, November 21, 2016.

**Taxable Value** - The November payment continues to use the *beginning* 2016 tax roll non-PRE (non-Primary Residence Exempt property), and Commercial Personal property taxable value data for the Section 20 foundation calculations, 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 [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. Questions concerning taxable value should **first be directed to the appropriate county treasurer**.

**Pupil Membership** – October 2016 unaudited pupil count data received prior to November 7, 2016 were used in the calculation of the blended membership count for the November payment. Otherwise, the estimates that were used in the October payment continue to be used. Please note that the **three-year average membership blend** was calculated for the November payment using either the estimates or the unaudited data, whichever was available. The three-year average blend is used for districts with a current year 90% - 10% blend of less than 1,550 **and** 4.5 or fewer pupils per square mile for whom the average of the membership blends for fiscal year 2015, fiscal year 2016, and fiscal year 2017 exceeds the current year blend. Districts receiving the three-year blend can see the details of the calculation on the State Aid Financial Status Report.

**Special Education Cost Figures** - The fiscal year 2015 special education and special education transportation cost figures continue to be used in the November payment. The fiscal year 2016 cost reports, which were due this fall, are being audited by the Office of Special Education and will be used to estimate current year costs when the data are released to the Office of State Aid and School Finance. (Dianne Easterling, Special Education Office, 517-241-4517, [EasterlingD@Michigan.gov](mailto:EasterlingD@Michigan.gov))

**Updated Categoricals** - The following categorical updates were updated in the November payment although the updates 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 consultants identified below:

- Bilingual Education – Section 41 (Shereen Tabrizi, Office of Field Services, 517-373-8897, [TabriziS@Michigan.gov](mailto:TabriziS@Michigan.gov))
- Special Education - Section 51a School for Deaf Tuition Deducts (Dianne Easterling, Special Education Office, 517-241-4517, [EasterlingD@Michigan.gov](mailto:EasterlingD@Michigan.gov))
- Special Education - (Dianne Easterling, Special Education Office, (517) 241-4517, [EasterlingD@Michigan.gov](mailto:EasterlingD@Michigan.gov))
- Renaissance Zone Reimbursement – Section 26a (Howard Heideman, Treasury, Revenue and Tax Analysis, 517-373-9002, [HeidemanH@Michigan.gov](mailto:HeidemanH@Michigan.gov))

## **FISCAL YEAR 2017 SECTION 102D FUNDING**

Language in Section 102d (MCL 388.1702d) of the State School Aid Act provides \$1.5 million in FY 2017 to be paid for reimbursements to school districts for the licensing of school data analytical tools. To qualify for reimbursement, contracts with approved vendors must be in place by December 1, 2016. Munetrix and Eidex are approved vendors again this year. **Forecast5 Analytics has been added as an eligible vendor**. This year, Intermediate School Districts are eligible for reimbursement. Consequently, if an intermediate district has purchased the license for constituent districts, the funds will be paid to the ISD. Districts must provide a purchase order to their vendor. The vendor will then provide the Department with the applicable information needed to process the reimbursement. The Department will determine the sum of the funding requests and, if there are sufficient funds, will pay 1/2 of the costs of the contracts. Any funds remaining after the calculation and payment will be distributed on an equal per-pupil basis, with an intermediate district's pupils considered to be the sum of the pupil memberships of the constituent districts for which the intermediate district is purchasing the financial data analytical tool. Funds will be distributed in a state school aid payment subsequent to the December payment. Questions related to this item may be directed to Jeff Kolb, Office of State Aid and School Finance, at 517-373-1908 or [KolbJ2@Michigan.gov](mailto:KolbJ2@Michigan.gov).

## **2016-17 DISTRICT/ISD CONSOLIDATION GRANT ANNOUNCEMENT**

The Michigan Department of Education is pleased to announce the fiscal year 2017 District/ISD Consolidation Grant program authorized under Section 22g of the State School Aid Act, PA 249 of 2016. An allocation of \$500,000 has been made available to this program that will award competitive grants to districts and intermediate districts for the reimbursement of transition costs associated with the dissolution, consolidation, or

annexation of districts or intermediate districts. The November 10, 2016 grant award notification, application documents, supplemental materials, and other information are available on the [State Aid & School Finance website](http://www.Michigan.gov/sasf) (www.Michigan.gov/sasf). Applications will be accepted through December 19, 2016 and award determinations and announcements are expected to be made in February 2017. Questions regarding this grant program may be directed to Jessica Beagle at [BeagleJ1@michigan.gov](mailto:BeagleJ1@michigan.gov) or 517-241-6435.

### **FISCAL YEAR 2016 FID DATA**

The Department would like to thank school district administrators for submitting the fiscal year 2016 FID data. Department staff is currently reviewing the data for quality. E-mails will be sent to specific FID users if corrections are needed by the end of November. The FID remains open at this time for districts to submit updated files. Once the final FID data have been processed, preliminary 2017 Indirect Cost Rates and 2015 Maintenance of Effort will be calculated. Questions related to this item may be directed to Chris May at 517-335-1263 or e-mail: [MayC@Michigan.gov](mailto:MayC@Michigan.gov).

### **DEFICIT ELIMINATION PLANS**

Any district or public school academy that incurred a negative fund balance as of June 30, 2016 must submit to the Department a board adopted Deficit Elimination Plan with a matching fiscal year 2017 budget. Districts with completed FID submissions that indicate deficit status are notified of this requirement. Failure to submit a complete Deficit Elimination Plan by the due date in that correspondence will result in the withholding of state school aid payments. Questions may be directed to Jeff Kolb, Office of State Aid and School Finance, 517-373-1908 or [KolbJ2@Michigan.gov](mailto:KolbJ2@Michigan.gov).

### **BUDGET TRANSPARENCY REMINDER**

Last year, penalty language was added to Section 18 of the State School Aid Act (MCL 388.1618), which imposes a penalty on those schools not in compliance with Budget Transparency. To avoid a state aid penalty, please have your transparency page updated by December 1, 2016. Updated transparency guidance which includes information on all of the required data elements may be found on our [website](#).

School websites will be reviewed for compliance beginning December 1, 2016, with correspondence being sent to LEAs/ISDs and PSAs/Authorizers. You do not have to wait for our review. When your transparency page is ready for review, please let Chad Urchike know and your page will be given priority. For your reference, we can also recommend compliant school websites to view. Questions related to Budget Transparency should be directed to Chad Urchike, Office of State Aid and School Finance, at 517-335-1261 or by e-mail at [UrchikeC1@Michigan.gov](mailto:UrchikeC1@Michigan.gov).

### **SECTION 147A AND 147C MPSERS FUNDS**

The November 2016 payment includes funds from Section 147a of the State School Aid Act that appropriates \$100 million for offsetting Michigan Public School Employee Retirement Service (MPSERS) costs and from Section 147c that appropriates \$982.2 million for the UAAL rate stabilization. These funds are to be used solely for the purpose described in the respective State School Aid Act sections. The amount allocated to each entity is based on each participating entity's percentage of the total statewide payroll for all participating entities for the state fiscal year ending September 30, 2016.

If you are no longer a participating entity as defined in the act then you are not entitled to the funds and they will need to be returned to the Department. Please notify the Department of that change at your earliest convenience. Guidance on this topic from the Department can be found on our [website](#). Questions related to the MPSERS funds should be directed to Phil Boone, at 517-335-4059 or by e-mail at [BooneP2@Michigan.gov](mailto:BooneP2@Michigan.gov).

### **IMPORTANT DATES TO REMEMBER**

- The **fiscal year 2017 MSDS Records (including State Aid FTE Counts)** for the October 5, 2016 count date were due to the Center for Educational Performance and Information (CEPI) by **November 9, 2016 and are to be certified by November 16.**
- **November 1** was the deadline for local districts (including PSAs) to file their **fiscal year 2016 financial audit reports** with the ISD and the Department. It was also the date for the ISD to file its own **financial report** and the **pupil membership audit reports** for its constituent districts with the Department. Naomi Krefman, 517-335-6858, [KrefmanN@Michigan.gov](mailto:KrefmanN@Michigan.gov)
- **November 1** was the deadline for local and intermediate districts (including PSAs) to submit the **fiscal year 2016 Annual Comprehensive Financial Report - FID**. Chris May, 517-335-1263, [MayC@Michigan.gov](mailto:MayC@Michigan.gov)
- **Proration factors** for November: Section 31a At Risk \$182.5748010225 per pupil.
- The **Headlee Obligation for Data Collection** funds are being paid at \$25.1884831047 per pupil.