



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING


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GOVERNOR

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STATE SUPERINTENDENT

MEMORANDUM

DATE: April 16, 2026

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

FROM: Dr. Diane Golzynski, Deputy Superintendent
Division of Business, Health, and Library Services 

SUBJECT: Michigan Public School Accounting Manual (Bulletin 1022)
CHANGE NOTICE #35

The Michigan Public School Accounting Manual (Bulletin 1022) explains how Michigan's intermediate school districts (ISDs) and local education agencies (LEAs), both traditional public school districts and public school academies (PSAs), should classify and record their financial transactions. This memorandum is to share Michigan Public School Accounting Manual Change Notice #35.

The information on Page 2 of this memorandum provides details for pages in the manual that have changed. Please communicate these changes to others in your district who may have copies of the Michigan Public School Accounting Manual to ensure all accounting manuals within the district are current. The entire manual, along with this change notice, is available electronically on the [Michigan Public School Accounting Manual page](#) of the MDE 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 Section 1281 of the Revised School Code ([MCL 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.

b) Require each board to maintain school or to provide educational opportunities for resident children for the statutory period.

c) 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.

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MDE may review records and accounts of ISDs, LEAs, and PSAs which could lead to legal action directed by the state attorney general. MDE staff and members of the Michigan Public School Accounting Manual referent group will continue to work together to ensure consistency on the recording and reporting of Michigan public school district accounting transactions. Regular updates will be made to this manual as they are needed. **Unless otherwise required, the changes listed in Change Notice #35 are for implementation during the 2026-27 school year. Earlier application of these changes is encouraged.**

If you have questions concerning the Michigan Public School Accounting Manual, please contact Christopher May in the Office of Financial Management at MDE-OFM@Michigan.gov.

Change Notice #35

Section	Sub-Section	Change	Discard Page #	Add Page #
Section II	A.01	Updated intent of manual and reference to federal publications	2	2
Appendix	Revenue Major Class Codes	Added Major Class Codes 491 and 492	21	21
Appendix	Expenditure Function Codes	Added reference to arbitrage costs to Function Code 259	29	29
Appendix	Expenditure Function Codes	Added clarification of short-term leases to Function Code 261	30	30
Appendix	Expenditure Object Codes	Added reference to arbitrage costs to Object Code 7200 header, revised Allowable Functions of Object Codes 7220 - 7290	49	49
Appendix	Expenditure Program Codes	Updated Program Codes	52-55	52-55
Appendix	Grant Codes	Updated Grant Codes	56-67	56-67

cc: Michigan Education Alliance
 Confederation of Michigan Tribal Education Departments