



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING

GRETCHEN WHITMER
GOVERNOR

MICHAEL F. RICE, Ph.D.
STATE SUPERINTENDENT

MEMORANDUM

DATE: June 9, 2022

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

FROM: Kyle L. Guerrant, Deputy Superintendent
Finance and Operations KG

SUBJECT: Michigan Public School Accounting Manual (Bulletin 1022)
CHANGE NOTICE #32

The Michigan Public School Accounting Manual (Bulletin 1022) serves as a mandatory guide to the uniform classification and recording of accounting transactions for Michigan public school districts. The purpose of this correspondence is to transmit Michigan Public School Accounting Manual Change Notice #32.

The information on page three of this memo provides the detail for pages in the manual that have been changed. You may print those pages from the Michigan Department of Education (MDE) website. Please communicate these changes to others in your district who may have copies of the Michigan Public School Accounting Manual to ensure that 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 school.*
AND
 - 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 examine and audit the official records and accounts of school districts, public school academies, and intermediate school districts, and may compel proper accounting by legal action instituted by direction of the state attorney general.

MDE staff and members of the Michigan Public School Accounting Manual referent group will continue their efforts to ensure uniformity in the recording and reporting of Michigan public school district accounting transactions via updates to this manual.

Please note that this change notice includes several additions, modifications, and new guidance related to GASB Statement #87 – Leases. For Michigan school districts, this standard is effective for the current fiscal year (2021-22) reporting and will require immediate implementation. **Unless otherwise required, the changes listed in Change Notice #32 are for implementation during the school fiscal year 2022-23. Earlier application of these changes is encouraged.**

If you have questions concerning the Michigan Public School Accounting Manual, please contact Christopher May at 517-335-1263 or MayC@michigan.gov.

Attachment

cc: Michigan Education Alliance
Confederation of Michigan Tribal Education Departments

Change Notice 32

Section	Sub-Section	Change	Discard Page #	Add Page #
Section II	Table of Contents	Added Section E.19	1	1
Section II	E.01	Removed reference to capital leases	28	28
Section II	E.19 (new)	Added guidance for GASB Statement #87	N/A	108-112
Appendix	Balance Sheet Major Class Codes	Added Major Class Codes 122 and 142, removed "lease" reference from Major Class Code 181	5-6	5-6
Appendix	Balance Sheet Major Class Codes	Added Major Class Codes 212, 225, 226, 233, 243, 244, 253, 254, 263, 264, 273, 274, 293, and 294	7-8	7-8
Appendix	Balance Sheet Major Class Codes	Revised definitions of Major Class Codes 472 and 492	11	11
Appendix	Balance Sheet Major Class Codes	Removed "capital lease" terminology	12	12
Appendix	Revenue Major Class Codes	Added Major Class Code 194	18	18
Appendix	Revenue Major Class Codes	Added Major Class Code 514	21	21
Appendix	Revenue Major Class Codes	Revised Major Class Code 594 account name, added Allowable Fund 91	22	22
Appendix	Revenue Suffix Codes	Replaced "CFDA" references with "ALN"	23-24	23-24
Appendix	Expenditure Function Codes	Removed "operating lease" terminology	30	30
Appendix	Expenditure Function Codes	Added "amortization" terminology	34	34
Appendix	Expenditure Object Codes	Added Allowable Function 219 to Object Codes 1870, 1970, and 3190	39	39
Appendix	Expenditure Object Codes	Added Object Codes 6120, 6240, 6330, 6430, 6530, 6630, 6730, and 6930, removed reference to leases and lease payments from Object Code 6210	45-47	45-47
Appendix	Expenditure Object Codes	Added Object Codes 7250 and 7720, revised Object Names of Object Codes 7100, 7150, and 7200	48-49	48-49
Appendix	Grant Codes	Updated Grant Codes	54-63	54-63