

STATE SCHOOL AID DATA UPDATED FOR APRIL

The April state school aid payment is the 7th regular payment of the year and reflects 63.63% of the year's allocation for Sections 22a, 51c, and 22b, as well as for most categoricals. Prior year adjustments are made at 100% in a single payment. **The payment will post at the districts' banks on Friday, April 19, 2024.** This payment is 1 day ahead of the statutory deadline because the SIGMA system will be down for a few days for an upgrade. The **pupil membership blends** have been updated with the audited counts reported to CEPI as of March 25, 2024. **Taxable value** figures used in the calculation of the Section 20 and Section 22a state per pupil amounts are tax year 2023 figures provided by the county treasurers via the web-based reporting system as of March 25, 2024. These data can be viewed by school district personnel on the [Department's website](#). To view your data, enter your district code and choose the applicable tax year from the drop down menu.

Questions concerning the taxable value figures should first be directed to the appropriate county treasurer.

INDIRECT COSTS

Current [indirect cost rate](#) information will be posted to the MDE website Monday, April 22. The new rate information includes Special Education rates for 2023-2024 and preliminary rate information for 2024-2025. Form R0418A, **Costs for the Development of 2024-2025 Federal Indirect Cost Rates**, details the cost data used to calculate preliminary indirect cost rates. Form R0418, **Carry Forward Calculation for 2024-2025 Federal Indirect Cost Rates**, shows the results of the preliminary calculation. Form DS-4513 allows the district to edit preliminary cost information to reflect more accurate indirect cost rates.

News for 2024-25

Please be informed that grant code 263 should be entirely excluded from the reconciliation process of R0418A to your 2022-2023 FID data. Grant code 263 was designated exclusively for SA Sec. 147c(2) MPSERS One-Time Deposit purposes. This exclusion follows our [collaboration with the U.S. Department of Education](#) (USED) to ensure accurate treatment of these funds in indirect cost calculations. Should grant code 263 have been utilized for any purpose other than the MPSERS one-time payment, or if the MPSERS one-time payment was not recorded under grant code 263, please utilize DS-4513 to have these funds treated accordingly. A special tab will be included solely for this purpose. Additional information for this process will be communicated on the indirect webpage.

If the district's FID data remains unsubmitted, has proven to be inaccurate, or discrepancies from the comparison between your school district's Financial Information Database (FID) and audited financial statements for fiscal year 2023 remain unresolved, your information will not be included in the preliminary reporting. It is crucial that this information is reconciled no later than June 1. Failure to do so will result in the issuance of 0% indirect rates for 2024-25, with potential repercussions on future rates. It is imperative to address and reconcile these differences promptly.

The latest iteration of form DS-4513 will be available on the indirect webpage, offering enhanced processing and workflow capabilities. One notable enhancement is the addition of a dedicated tab tailored for sub-contract exclusions. Districts are required to request an exclusion for any contracted service exceeding \$25,000 that impacts the direct cost base. This intuitive tab facilitates users in inputting the total contract amount and the corresponding charges to each function code or grouping, aligning seamlessly with the organization of form R0418A. Notably, the subcontracts tab automatically deducts the initial \$25,000 and calculates the exclusion proportionately, streamlining the process for greater efficiency. In response to evolving needs, this year's update introduces a new tab specifically

for requesting appropriate and consistent treatment of SA Sec. 147c(2) MPSERS One-Time Deposit funds.

Video tutorials are included on the [indirect webpage](#) to assist districts with the indirect process and completing the DS-4513. Each tutorial addresses different sections of form DS-4513. You may review a particular section of interest or watch the videos in their entirety. The videos may be particularly helpful if you are new to the indirect process, have questions about completing the subcontracts section, or are new to Head of Component.

Districts with membership greater than 2,999 will be required to complete the Head of Component tab (Part IV-HOC). Districts required to complete this worksheet will submit an organizational chart along with form DS-4513. A [list of districts with membership greater than 2,999](#) is provided on the indirect website as well. We strongly encourage districts to enter a Business Manager contact in the [Educational Entity Master \(EEM\)](#) to receive Head of Component communications.

Form DS-4513 is due June 1 and will continue to be accepted through the online portal: <https://fs10.formsite.com/SASF/form14/index.html>.

If you have any questions or concerns, please contact Jessica Beagle at BeagleJ1@michigan.gov.

SECTION 27L EDUCATOR COMPENSATION PROGRAM INCORRECTLY SENT TO PSAs

We regret to inform Public School Academies that they were included in the 27l program erroneously. The definition of "District" in Section 3 was changed to exclude PSAs from payment under Section 27l and we did not notice that change when setting up the 27l payment in January. We deeply regret any inconvenience this error may cause.

BUILDINGS USED IN VIRTUAL LEARNING

The Michigan Department of Education (MDE) and Center for Educational Performance and Information (CEPI) are collecting information on districts' virtual learning centers, including locations that served as a business or commercial operation prior to functioning as a virtual learning center. This [memorandum](#) provides information for districts to ensure that appropriate information is captured in the educational entity master (EEM) related to buildings used in virtual learning. Questions related to this memo may be directed to Gloria Suggitt at SuggittG@michigan.gov.

BUDGET TRANSPARENCY

March 1 was the deadline for updating Employee Compensation Information. Please ensure this section on your Budget Transparency page has been updated with calendar year 2023 data. The superintendent's compensation information must be disclosed, regardless of salary amount. In addition to the superintendent, all district employees with Medicare wages above \$100,000 must also be disclosed. Please send questions to Chad Urchike at UrchikeC1@michigan.gov.

Did you know? In Spring 2024, Vendor Self Service (VSS) will have a new, streamlined user experience with the launch of SIGMA 4! After the upgrade, you will notice a more efficient and intuitive user interface as well as new functionality to support you. Watch for more information on the SIGMA VSS website in the coming months.

GENERAL INFORMATION

- The Section 22d(4) funds are being paid at \$58.1885028295 per pupil.
- The Headlee Obligation for Data Collections funds are being paid out at \$29.2424114639 per pupil.
- The proration factor for Section 31a – At Risk funding is 32.64986531%.
- The proration factor for Section 29(7) – Enrollment Stabilization is 76.45094040%.

*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, State Aid and School Finance, MDE**, cell phone: **517-899-0796**, e-mail: BooneP2@Michigan.gov.