

REMINDER TO DISTRICTS THAT PLEDGED THEIR AUGUST PAYMENT

Approximately **66** school districts participated in the Michigan Finance Authority's (MFA) State Aid Note (SAN) Program **2021 A-2** (no set-aside pool) and pledged 100% of their August **2022** school aid payment for the repayment of this obligation. If your district participated in this program, please be reminded that all or part of your August payment will not be deposited in your bank account. Rather, the note set-aside portion will be deposited with the Michigan Finance Authority. If you have questions please contact **Melissa Lovegrove**, Michigan Finance Authority **517-241-4207** or lovegrovem@michigan.gov.

AUGUST PAYMENT INFORMATION

The August state school aid payment is the 11th and final payment of the year and reflects a cumulative 100% of the year's allocations for Sections 22a, 51c, and 22b, as well as for the categorical funding.

Taxable value figures used to calculate the August payment represent the tax year 2021 values provided by county treasurers via the web-based taxable valuation collection process. Revisions to taxable values received prior to July 27, 2022 were incorporated into the payment calculation.

The **membership blend** used to calculate the August payment incorporated all Michigan Student Data System (MSDS) pupil (FTE) counts released to the Department as of July 27, 2022.

UPDATE TO MPSERS RETIREMENT COST FUNDING

A miscalculation was found with Sections 147e and 147a(2) retirement cost reimbursements for school fiscal years 2021 and 2022. The August 2022 state school aid payment will include actual amounts reported to the Office of Retirement Services (ORS) through June 30, 2022. In addition, the payment will reflect the corrected reimbursement rates for 147e and 147a(2) and the reconciliation for the prior three quarters. This is the last quarterly payment of fiscal year 2022. The November 2022 state school aid payment will reflect the reconciliation of the November, February, May, and August 2021 miscalculation. If you have any questions, please contact ORS_Web_Reporting@michigan.gov.

FINANCIAL INFORMATION DATABASE (FID) REMINDER

All districts are required to electronically submit FY22 financial data to the Financial Information Database (FID) by November 1, 2022. Failure to submit FID data consistent with audited financial statements by November 1st will result in the withholding of the November and subsequent state school aid payments (MCL 388.1618(10)). **The FID application will open for district submissions on September 6, 2022.** Questions related to financial accounting and reporting may be directed to Christopher May at 517-335-1263 or MayC@Michigan.gov. Questions related to accessing the system or submission of data to the FID may be directed to CEPI Customer support at CEPI@michigan.gov or 517-335-0505.

STATE SCHOOL AID REVENUE RECOGNITION

[Accounting for State School Aid Revenues](#) has been updated with accounting guidance for categoricals new to FY 2023. State school aid revenue reported in the Financial Information Database (FID) each year should be consistent with amounts shown on districts' August State Aid Status Reports for the preceding fiscal year. Care should be taken to record the revenues in the appropriate fund, major class codes, and suffix codes as indicated in this document. Minor differences may occur as the result of accounts payable and receivable. Unearned Revenue such as any restricted state grant funds (i.e., At-Risk, Adult Education, Math/Science) received and remaining unspent at year end should be recorded in the financial statements as unearned revenue (balance sheet major class code 471) rather than as a reserve of fund balance. This does not apply

to funds that are awarded without restriction to use. Questions related to revenue recognition and financial accounting may be directed to Christopher May at 517-335-1263 or MayC@Michigan.gov.

BUDGET TRANSPARENCY REMINDER

Budgets and subsequent amendments for 2022-23 must be posted to your Budget Transparency page within 15 days of board approval. All districts should have their initial 2022-23 budget posted. Budgets and amendments must be detailed at the function level and include beginning and ending fund balances. Questions related to Budget Transparency may be directed to Chad Urchike at UrchikeC1@Michigan.gov.

DEFICIT DISTRICT INFORMATION

Districts projecting a negative general fund balance as of June 30, 2022 or districts adopting a deficit budget for 2022-23 are required to submit a Deficit Elimination Plan (DEP) to the Department. The DEP template is available on our [website](#). Questions may be directed to Chad Urchike at UrchikeC1@Michigan.gov.

PRELIMINARY HEADCOUNT REPORT

Districts in their first or second year of operation, or districts that have added a grade for the first time, are required to report their headcounts for a day during the week of September 7-11, for use during the October state aid payment. Please use this [form](#) to submit head counts. Headcount data must be submitted by Friday, September 23, 2022.

TAXABLE VALUE SYSTEM UPDATES

The online taxable valuation collection system is available for county treasurers to input tax year 2021 values for calculating FY 2022 State School Aid. These values are due by September 1, 2022. Please encourage your treasurer to report these values if they have not already done so. Taxable Value data can be viewed [here](#). To view your data, click on "Public Access" and then choose your district code and the applicable tax year from the drop down menu. Questions should be directed to Phil Boone at 517-335-4059 or BooneP2@Michigan.gov, or Jeff Kolb at 517-241-2207 or KolbJ2@michigan.gov

IMPORTANT DATES TO REMEMBER

- **September 8th** is the date of the annual **MDE/MSBO Fall Workshop**. This year's conference will be held virtually. Visit MSBO.org for more details.
- **Wednesday, October 5, 2022** is the **pupil membership count day** for 2022-2023. (Brian Ciloski, 517-373-3352, CiloskiB@Michigan.gov)
- The SE-4096 Special Education Cost Report for FY 2022 is due on Friday, **September 30, 2022**. (JL Purves, 517-241-7081, PurvesJ@michigan.gov)
- The SE-4094 Special Education Transportation Expenditure Report for FY 2022 is due on Friday, **October 7, 2022**. (JL Purves, 517-241-7081, PurvesJ@michigan.gov)
- The October 20, 2022 state school aid payment is the first payment of FY 2023. There is no September school aid payment.
- **November 1** is the deadline for local districts (including PSAs) to file their **2021-2022 financial audit report** with their ISD. Both the **financial and pupil accounting audit reports** are due electronically to the Department on **November 1**. Financial audit reports shall be submitted via the email address MDE-FinAudit@michigan.gov. Failure to file these reports will result in the withholding of state aid. If you are looking for school district financial statement audits, visit the district website or contact the district for the requested information. (Caitlin Hengesbach, 517-335-6858, HengesbachC2@michigan.gov)
- The **FY 2022 FID – Annual Comprehensive Financial Report** is due from local and intermediate districts to CEPI by **November 1** (see related item above). Failure to file this report will result in the withholding of state aid. (Christopher May, 517-335-1263, MayC@Michigan.gov)
- The **DS-4168, Days and Clock Hours Report** for 2021-22 was due **August 1, 2022**.

- August Section 23a claims may be submitted in the 2021-22 SRM or 2022-23 SRM. The 2021-22 SRM Collection is open until **September 13, 2022 at 11:59 p.m. EDT**. The 2022-23 SRM opens 9/26/22.
- **Proration factors:** Section 31a – At Risk funding per pupil proration is 76.76582471%.
- Section 22d(4) Isolated District funds are being paid at a rate of \$51.9147663366 per pupil.
- Section 152a Headlee Obligation for Data Collection funds are being paid at a rate of \$26.8293141843 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, cell phone: 517-899-0796, fax: 517-241-0196, e-mail: BooneP2@Michigan.gov.
