

**HAPPY HOLIDAYS TO ALL OF YOU**

State Superintendent Glenn Maleyko and the State Aid and School Finance Unit of the Office of Financial Management (Brian, Chad, Chris, Jeff, Jessica, John, and Phil) wish each of you a Happy Holiday Season! Also, we wish you the best for the upcoming New Year. As always, we encourage you to feel free to contact us with questions or concerns that we may be able to help with. In addition, we would like to thank you for the many kind words of support and encouragement that you express to us when we talk on the phone or meet remotely or in person.

**JANUARY 2026 REVENUE ESTIMATING CONFERENCE**

A revenue estimating conference will be held on January 16, 2026 to update revenue projections for fiscal year (FY) 2026 and FY 2027, and to make initial projections for FY 2028. The results of that conference will affect school aid for those years. For detailed information on the January revenue estimating conference, go to the [House Fiscal Agency website](#) or [Senate Fiscal Agency website](#) following the conference.

**DECEMBER PAYMENT INFORMATION**

The December state school aid payment is the third regular payment of the 2025 fiscal year. The payment will be electronically transferred to the districts' accounts on Monday, December 22, 2025.

**Taxable Value** - The December payment continues to use the *beginning* 2025 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 prior to December 8, 2025 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, enter your district code and choose the appropriate tax year from the drop-down menu. Questions concerning taxable value should **first be directed to the appropriate county treasurer**.

**Pupil membership** – October 2025 unaudited pupil count data reported to the Center for Educational Performance and Information (CEPI) via the Michigan Student Data System (MSDS) by December 1, 2025 were used in the calculation of the blended membership count for the December payment.

**BUDGET TRANSPARENCY REMINDER**

The deadline for updating budget transparency pages was December 1 and reviews have started. You do not have to wait for our review. When your transparency page is ready for review, please send an email to Chad Urchike and your page will be given priority.

Budget transparency guidance is on our [website](#). It contains information on the required data elements, the prescribed form and manner, and examples of the required transparency reports. Please direct budget transparency questions to [MDE-SASF@Michigan.gov](mailto:MDE-SASF@Michigan.gov).

**SECTION 29(6) ENROLLMENT STABILIZATION PRORATION**

As the October pupil count data has been loaded to the payment system, Section 29(6) Enrollment Stabilization payments have begun to prorate. The proration factor is provided below in the General Information section.

## **CALL TO UPDATE EEM BUSINESS MANAGER CONTACT**

Help ensure your district receives important financial communications by reviewing or updating the Business Manager contact in the [Educational Entity Master](#) (EEM). Keeping this contact current supports timely delivery of information related to indirect costs, the shared time cap, Section 23a membership, and Section 25g categorical adjustments.

The district's EEM authorized user can add or update contacts. To identify the current authorized user, you may:

1. Search for your district in the EEM Search window, select your district name, and use the "Contact Authorized User" button located near the top left of the page.
2. Contact CEPI Customer Support at [cepi@michigan.gov](mailto:cepi@michigan.gov) or by phone at 517-335-0505, option 3.

Additional guidance is available in the document titled [How to Add, Remove, or Edit a Contact Type in the Educational Entity Master](#).

## **SECTION 27L EDUCATOR COMPENSATION**

Section 27l of the State School Aid Act for fiscal year 2026 appropriates funds to increase educator compensation and offset retiree health benefit costs. The funds to offset retiree health benefit costs were distributed to districts in the November State Aid payment. The educator compensation portion of Section 27l was awaiting State Budget Office action. The State Budget Director issued a lapse directive of the 27k student loan reimbursement grant appropriation on November 4, and the funds to increase educator compensation are set for distribution in the December State Aid payment. While the statute obligates districts to bargain any compensation increases with labor unions who represent employees, we do not interpret the language of 27l(2) to limit compensation increases only to collectively bargained employees. The statutory language is broad and does not specify methods for increasing compensation, such as dedicating it all to salary increases. For ORS reporting information of this compensation, please review [MPERS Employer News – December 2025](#). Questions regarding employer taxes and other benefit costs should be referred to districts' legal counsel. Additional questions regarding this program and funding should be directed to [MDE-EdWorkforceGrants@michigan.gov](mailto:MDE-EdWorkforceGrants@michigan.gov).

## **GENERAL INFORMATION**

- The Headlee Obligation for Data Collection funds are paid at \$29.6484386697 per pupil.
- The Section 22d(4) Isolated District funds are paid at \$63.8222282035 per pupil.
- Proration factors for December: Section 31a At Risk is 45.65794817%  
Section 29(6) Enrollment Stabilization is 62.72912711%

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\*Do you have questions about the information appearing in this UPDATE? Contact the consultants identified above or [MDE-SASF@Michigan.gov](mailto:MDE-SASF@Michigan.gov).