

JANUARY 16, 2026 REVENUE ESTIMATING CONFERENCE

A revenue estimating conference was held on January 16, 2026 to update revenue projections for fiscal year (FY) 2026, FY 2027, and to make initial projections for FY 2028. FY 2026 revenue projections for both the general fund and the state school aid fund were revised at the conference. The general fund projection was revised downward by \$341.7 million and the school aid fund projection was revised upward by \$422.1 million for a net increase of \$80.4 million relative to FY25. For detailed information on the January revenue estimating conference, go to the [House Fiscal Agency website](#) or [Senate Fiscal Agency website](#).

GOVERNOR'S FY 2027 STATE BUDGET

While no one can say for certain at this time what the revenue consensus from the above referenced conference may mean for future state school aid budgets, one indication will come when the Governor unveils her proposed budget for FY 2027. Of course, the budget cycle will then run its full course through the legislative process before enactment in appropriation bills. Also, the Governor's State of the State address is scheduled for February, which may include education news.

JANUARY PAYMENT INFORMATION

The January state school aid payment is the fourth regular payment of the 2026 fiscal year. The payment will be electronically transferred to the districts' accounts on Tuesday, January 20, 2026.

Taxable value - The January payment continues to use the beginning 2025 tax roll non-homestead taxable value data, as provided by the county treasurers via the web based taxable valuation collection process by December 30, 2025. These data can be viewed by school district personnel on the [Department's Taxable Value Management System](#) website.

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 January 5, 2026 were used in the calculation of the blended membership count for the January payment.

SUPPLEMENTAL COUNT DAY

The second count date of the school year, February 11, 2026, is quickly approaching. As a courtesy to the field, the Department would like to remind all districts that schools must be open and scheduled for regular instruction on each count day prescribed in legislation. Only a district that is not in session on that day due to conditions not within the control of school authorities or one where count day intersects with a day of significant religious or cultural importance will be allowed to use the immediately following day on which the district is in session for count purposes, and only if the district requested and received written approval from the Department for the alternate count date. If your district was closed on count day due to unforeseen conditions, please use the following form to request an alternate count date: <https://fs10.formsite.com/SASF/form8/index.html>.

SECTION 101 – SCHOOL DAY CANCELLATIONS AND FORGIVEN TIME

Section 101 of the State School Aid Act ([MCL 388.1701](#)) remains the same as in past years with regard to the cancellation of instructional time. The language continues to grant districts six (6) days and/or the equivalent number of hours to use toward cancellations that occur due to conditions beyond the control of school authorities, commonly referred to as "forgiven time" or "snow days." Language remains that grants the State Superintendent the authority to grant up to three (3) additional days or equivalent hours cancelled as instruction, provided the cancellation is due to unusual and extenuating circumstances resulting from conditions not within the control of school authorities. Districts must provide strong rationale supporting why

these days cannot be rescheduled before the end of the school year. Applications for additional forgiven time will be reviewed on a case-by-case basis.

Additional forgiven time applications are only accepted through the [online form](#). Questions regarding this item should be directed to MDE-SASF@michigan.gov.

SECTION 27L EDUCATOR COMPENSATION UPDATE

Thank you for your inquiries regarding the Educator Compensation program. We have now published guidance that addresses most of your questions, particularly those related to the 27l(2) educator compensation funds. It is available at <https://www.michigan.gov/mde/services/ed-serv/grants/educator-compensation>. Questions related to 27l(4) retiree health benefits should be directed to the [Office of Retirement Services](#).

IMPORTANT DATES TO REMEMBER

- **February 1** is the due date for districts and ISDs to report to the local health department the **immunization status** of each new pupil in grades K-12 who enrolled in the district or ISD for the first time during the immediately preceding calendar year and all 7th graders, pursuant to State School Aid Act Section 167. (Helpdesk – 888-243-6652)
- **February 11** is the **supplemental count day** for all districts, ISDs, and PSAs and the 3rd quarterly count date for adult education participants.

GENERAL INFORMATION

- The Headlee Obligation for Data Collection funds are paid at \$29.650445542 per pupil.
- The Section 22d(4) Isolated District funds are paid at \$63.8083568855 per pupil for districts with less than 8 pupils per square mile.
- Proration factors for: Section 31a At Risk is 45.66369714%
Section 29(7) Enrollment Stabilization is 62.86608259%

*Do you have questions about the information appearing in this UPDATE? Call the consultants identified above or email MDE-SASF@michigan.gov.