STATE SCHOOL AID UPDATE

Michigan Department of Education



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STATE SCHOOL AID DATA UPDATED FOR JULY

The July state school aid payment is the 10th regular payment of the year and reflects 90.9% 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 districts' banks on Monday, July 21, 2025.

Taxable value figures used to calculate the July payment represent the tax year 2022 values provided by county treasurers via the web-based taxable valuation collection process. Revisions to taxable values received prior to July 2, 2025 were incorporated into the payment calculation.

The **membership blend** used to calculate the July payment incorporated all Michigan Student Data System (MSDS) pupil (FTE) counts released to the Department as of July 2, 2025.

2025-26 SCHOOL AID BUDGET

Negotiations around the FY2026 budget are ongoing. Detailed analysis can be found at \underline{SFA} - School Aid (K-12).

STATE AID WAIVER REQUESTS

The Department has transitioned to accepting applications for waivers through online forms only. These online forms must be used to ensure that the request is received and can be considered for approval. Paper and email requests are no longer accepted. Please share this information with appropriate staff in your district:

<u>Common Calendar Waiver</u> – Used to deviate from the spring/winter break provided in the ISD's common calendar.

Alternative Count Day Waiver - Allows a district to have an alternate count date.

<u>Schools of Choice Waiver</u> – Allows a district to extend the application/enrollment windows for schools of choice.

<u>Additional Forgiven Days Waiver</u> – Allows a district to request up to three additional days of forgiven time.

<u>Travel Time Waiver</u> – Allows a district to count additional travel time for certain programs. <u>Labor Day Waiver</u> – Allows a district to provide instruction prior to Labor Day.

KEEP YOUR CONTACTS CURRENT: UPDATE THE EEM WITH YOUR BUSINESS MANAGER

Ensure your district stays informed on crucial matters like the indirect cost rate and shared time caps by updating the <u>Educational Entity Master</u> (EEM) with your Business Manager's contact information. Act now to avoid missing important updates!

As we transition into a new school year, it's the perfect time to verify that all contacts are up-to-date. Adopting a quarterly review of all contacts in the EEM can help maintain accuracy and timeliness. Don't wait—take a proactive step today!

REMINDER TO DISTRICTS THAT PLEDGED THEIR AUGUST PAYMENT

Approximately 49 school districts participated in the Michigan Finance Authority's (MFA) State Aid Note (SAN) Program 2024 A-2 (no set-aside pool) and pledged 100% of their August 2025 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 Mariana Youssef, Michigan Finance Authority, 517-335-7296 or youssefm1@michigan.gov.

2024-25 DAYS AND CLOCK HOURS REPORTING DEADLINE IS AUGUST 1, 2025

To satisfy the legislative requirement found in Section 101(3) of the State School Aid Act (MCL 388.1701), intermediate districts must certify and submit to the department a days and clock hours report, formerly known as the Days and Clock Hours of Instruction Report (DS-4168), for the intermediate and local districts by the first business day in August (August 1, 2025). The requirement applies to all local school districts and public school academies. It also applies to intermediate school districts that operated an alternative education program or claimed FTE for a Special Education Early Childhood program during the 2024-25 school year.

The user guide to assist districts in using the application can be viewed here. Further questions regarding the application can be addressed by contacting CEPI Customer Support at CEPI@Michigan.gov.

SECTION 31A ANNUAL PROGRAM AND FISCAL REPORT DUE IN NEXSYS

Local Educational Agencies (LEAs) receiving Section 31a At-risk funds were required to submit the Fiscal Year (FY) 2025 Section 31a Annual Program and Fiscal Report (APFR) by July 15, 2025. LEAs with extenuating circumstances should have requested additional support from one of the individuals listed below prior to July 15, 2025. Please note, failure to submit the Section 31a APFR or request additional support may result in the withholding of Section 31a funds in the August 2025 state aid payment. The FY 2025 Section 31a APFR is available in NexSys.

Program and reporting requirements questions may be directed to the Office of Educational Supports (OES) Special Populations Unit at 517-241-6977:

- Michelle Williams, Manager, WilliamsM48@michigan.gov
- Dawn Carmody, Consultant, CarmodyD1@michigan.gov
- Joan (Jackson) Cabrales, JacksonJ67@michigan.gov
- Suzanne Grambush, Consultant, GrambushS1@michigan.gov
- Stephanie Holmes-Webster, Consultant, HolmesWebsterS@michigan.gov
- Send email to the Section 31a General Mailbox

TAXABLE VALUE SYSTEM UPDATES

The online taxable valuation collection system is available for county treasurers to input tax year 2025 values for calculating FY 2026 State School Aid. These values are due by September 1, 2025. 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.

GENERAL INFORMATION

- The Section 22d(4) Isolated District funds are paid at \$61.8448133034 per pupil.
- The Headlee Obligation for Data Collection funds are paid at \$29.3687419198 per pupil.
- The proration factor for Section 31a At Risk funding is 35.14516039%.
- The proration factor for Section 29(7) Enrollment Stabilization is 80.24854545%.
- The Supplemental count (February 2025) ISD audited FTE values are due to CEPI by July 30, 2025.
- October 1, 2025, the first Wednesday in October, is the **Pupil Membership Count Date** for FY 2025-2026.
- February 11, 2026, the second Wednesday in February, is the **Supplemental Count Date** for FY 2025-2026.

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