

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 the districts' banks on Monday, July 22, 2024.

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 1, 2024 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 1, 2024.

2024-25 SCHOOL AID BUDGET

Governor Whitmer is expected to sign the 2024-25 Education Omnibus bill soon.

Full text of the legislation, along with detailed analysis can be found at [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:

[Common Calendar Waiver](#) – 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.

[Schools of Choice Waiver](#) – Allows a district to extend the application/enrollment windows for schools of choice.

Questions related to the above waivers should be directed to Brian Ciloski, State Aid and School Finance, 517-241-2209, or CiloskiB@Michigan.gov.

[Additional Forgiven Days Waiver](#) – Allows a district to request up to three additional days of forgiven time.

[Travel Time Waiver](#) – Allows a district to count additional travel time for certain programs.

Questions related to the above waivers should be directed to Jessica Beagle, State Aid and School Finance, 517-241-6435, or BeagleJ1@Michigan.gov.

[Labor Day Waiver](#) – Allows a district to provide instruction prior to Labor Day.

Questions related to the above waiver should be directed to Chad Urchike, State Aid and School Finance, 517-335-1261, or UrchikeC1@Michigan.gov.

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 [Educational Entity Master](#) (EEM) with your Business Manager's contact information. Act now to avoid missing important updates!

As we transition into the new 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 **63** school districts participated in the Michigan Finance Authority's (MFA) State Aid Note (SAN) Program **2023 A-2** (no set-aside pool) and pledged 100% of their August **2024** 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.

2023-24 DAYS AND CLOCK HOURS REPORTING DEADLINE IS AUGUST 1, 2024

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, 2024). 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 2023-24 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 27k STUDENT LOAN REPAYMENT PROGRAM ACCOUNTING GUIDANCE

In the July 2024 state aid payment, MDE is beginning to pay Section 27k Student Loan Repayment Program funds to eligible districts that completed an application by the April 11, 2024 deadline. Section 27k funds are intended to support educators making eligible student loan payments. The Office of Financial Management has published [Section 27k Financial Considerations and Accounting Guidance](#) which includes general guidance and sample journal entries to record this revenue, establish balance sheet entries for FY24 year-end, and record expenditures when districts pay these funds to eligible employees in FY25. Questions regarding the accounting of these funds may be directed to Christopher May at MayC@michigan.gov. All other questions related to the Section 27k program, applications, and amounts received may be directed to the Office of Educator Excellence at MDE-EdWorkforceGrants@michigan.gov and [their program webpage](#), with numerous resources available to recipients.

INDIRECT COST RATES

Adjustments to local and intermediate school district Indirect Cost Rates were due to the department by June 3, 2024. Final rates are posted on the department's [indirect cost rates webpage](#).

Due to emergency funding from coronavirus relief packages, the department was directed by USED to "smooth" FY23 indirect cost rates. This extra step prevented a significant decrease in FY23 rates by spreading the over-recovery over the next two odd-year cycles (FY25 and FY27). Because we are now in FY25, you will see an adjustment in the over/under recovery that stems from the FY23 smoothing process. This change aims to ensure slight decreases instead of a drastic drop in FY23 rates for affected districts.

A list of districts whose rates have been affected by the smoothing process is available here: <https://tinyurl.com/22-23-Indirect-Smoothing>.

Questions related to the indirect cost rate calculations should be directed to Jessica Beagle, State Aid and School Finance, at BeagleJ1@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) 2024 Section 31a Annual Program and Fiscal Report (APFR) by July 15, 2024. LEAs with extenuating circumstances should have requested additional support from one of the individuals listed below prior to July 15, 2024. 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 2024 state aid payment. The FY 2024 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
- Suzanne Grambush, Consultant, grambushs1@michigan.gov
- Stephanie Holmes-Webster, Consultant, holmeswebsters@michigan.gov
- Send email to the [Section 31a General Mailbox](#)

Section 31a APFR questions related to NexSys may be directed to the OES Financial Unit at 517-241-5388.

TAXABLE VALUE SYSTEM UPDATES

The online taxable valuation collection system is available for county treasurers to input tax year 2024 values for calculating FY 2025 State School Aid. These values are due by September 1, 2024. 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 Jeff Kolb at 517-241-2207 or KolbJ2@michigan.gov, or Phil Boone at 517-899-0796 or BooneP2@Michigan.gov.

GENERAL INFORMATION

- The Section 22d(4) Isolated District funds are paid at \$58.1959370950 per pupil.
- The Headlee Obligation for Data Collection funds are paid at \$29.2335116627 per pupil.
- The proration factor for Section 31a – At Risk funding is 32.64986531%.
- The proration factor for Section 29(7) – Enrollment Stabilization is 76.51204932%.
- The Supplemental count (February 2024) ISD audited FTE values are due to CEPI by July 31, 2024.
- October 2, 2024, the first Wednesday in October, is the **Pupil Membership Count Date** for FY 2024-2025.
- February 12, 2025, the second Wednesday in February, is the **Supplemental Count Date** for FY 2024-2025.

*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, phone 517-899-0796, fax: 517-241-0196, email: BooneP2@Michigan.gov.