

Pupil Accounting Manual: Notable Changes 2025 - 2026

Notice: This document captures the significant changes to the Pupil Accounting Manual for the school year. Beyond those noted below, there are many other changes contained in the manual that may affect the functions of a district. This document should not be considered a substitute for the information contained in the Pupil Accounting Manual. The Department recommends that districts read the entire manual yearly to ensure compliance.

Each year, the state legislature adopts new state laws that change, in small measure or substantially, the state's pupil accounting rules. These new state laws from the state legislature serve as the foundation for the pupil accounting manual (PAM). The PAM includes pupil accounting requirements approved by the state legislature and signed into law by the governor. The Michigan Department of Education (MDE) is responsible for implementing and not writing state laws. This PAM update is associated with revisions to state law approved by the state legislature over the past few months.

Section 1: Required Documentation

Attendance Records

Language has been added to clarify that teachers must take attendance at least twice per day (morning and afternoon) to support the tracking of chronic absenteeism. Additionally, for students with an Individualized Education Program (IEP), the district must demonstrate due diligence in contacting the student and parent to determine enrollment status, as the obligation to provide a Free Appropriate Public Education (FAPE) continues until the student officially withdraws or enrolls elsewhere. (1-3, 1-4)

Enrollment Records

Clarifying language has been added, requiring proof of residency for resident pupils and proof of eligibility for nonresident pupils. A copy of the student's most recent IEP is also now explicitly required as part of the enrollment records, if applicable. (1-6)

Teacher Placement

For membership purposes, a teacher needs to be appropriate for the grade level. For salary purposes, the teacher needs to be grade level and subject area appropriate. (1-9)

Section 2: Day, Hour, and Attendance Requirements

15 Days of Instructional Time Provided Under Section 21f

Clarifies that, for days used prior to October 7, 2025, districts may provide up to 15 days of virtual instruction under Section 21f without parental consent for emergency closures, student testing days, or limited professional development, provided an approved implementation plan and prior notice are in place. Districts must maintain documentation substantiating instructional time, technology access, teacher availability, and the calendar use of these days for audit purposes. (2-1)

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Travel Time (MCL 388.1701(7)(d))

For a pupil in grades 9 to 12 enrolled in a cooperative education program, or for a special education pupil, in determining full-time equated membership for that pupil, the pupil is not considered less than a full-time equated pupil solely because of the effect of the pupil's enrollment in the cooperative education program or special education program, including necessary travel time, on the number of class hours provided by the district to the pupil.

Districts no longer request a waiver for travel time from the department. (2-4)

State Assessment Dates

New language clarifies that days and hours are not countable for grades or buildings where instruction is not scheduled due to mandatory state assessments. The text provides mitigation strategies, such as scheduling instruction after testing or utilizing virtual learning, to ensure instructional time requirements are met. (2-7)

Pupil Instructional Hours (Reduced Schedule)

Language has been updated regarding reduced schedules for pupils in grades 6-12. Pupils in grades 9-12, or pupils in grades 6-8 in an advanced curriculum, may be considered full-time if scheduled for at least 80% of the minimum instructional hours. For pupils in a 4-block schedule, this threshold is 75%. (2-9)

Failure to Meet the Attendance Requirement

Additional clarity around which days can be used toward the satisfaction of the 180 day attendance requirement. (2-12)

Section 3: Pupil Membership Requirements

Early Childhood Special Education Program and Services Age Requirement

Clarifies the age requirements for 340.1754 program, and 340.1755 and 340.1862 services. (3-2, 3-3)

Affidavit Terms of Validity

Affidavits used for the verification of identity are valid for 1 school year. (3-4)

Affidavits used for the verification of residency remain valid until the student's address changes. (3-5)

Pupils Enrolled Under a General Education Reduced Schedule

Expands the ability to provide a reduced schedule from 9-12 grade students to students in grades 6-8 who participation in an advanced curriculum. (3-9)

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Shared Time

Brings attention to reporting requirements for districts claiming membership for pupils under Section 166b. At the end of the school year, districts must report a complete list of courses, course enrollments with SCED codes, and the identification of each course teacher or mentor through the Teacher Student Data Link (TSDL). (3-10)

Dropout Recovery Programs (Section 23a)

The method for counting membership in dropout recovery programs has been clarified. A pupil can be counted as 1/12 of a full-time membership for each month of full attendance, or based on the number of successfully completed courses, with each course being equivalent to 1/12 of a membership. (3-10)

Pupils with a Disability Receiving Homebound or Hospitalized Services

Updated language clarifies that while the minimum instructional requirement is 2 nonconsecutive hours per week, the district must consider the pupil's right to FAPE and provide the necessary instructional hours. A certified special education teacher is required if specified in the pupil's IEP. (3-11)

Section 5-A: Alternative Education Programs

Enrollment

Pupils may enroll without a release from their resident district if they meet an exception under Section 6(6). (5-A-2)

Instructional Time

Clarifications have been added regarding instructional time, graduation requirements, and enrollment. (5-A-2)

Section 5-C: Home-Based

Pupils with IEPs (Placement Determination)

Clarifies that home-based instruction for pupils with IEPs is a change in placement that must be determined and documented by the IEP Team, with required consideration of the least restrictive environment (LRE). Home-based placements are among the most restrictive settings and may be counted in membership only when resulting from a suspension or expulsion, consistent with IDEA discipline requirements. (5-C-1)

Virtual Instruction

Clarifies that virtual learning may not be used as a form of discipline and that districts may not unilaterally place a student, particularly a student with a disability, into a virtual setting based solely on behavioral data. Virtual instruction may be used only when supported by clear, individualized reasoning and data demonstrating it meets the student's unique needs and provides educational benefit. (5-C-1)

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5-G-B: Early Middle College Programs

Graduation Requirements

Provides several clarifications regarding a student's eligible for membership during their fifth year of an early middle college program. (5-G-B-1)

5-G-C: Postsecondary Gifted and Talented Programs

Reduced Schedules

Students in these programs now potentially have two pathways to a reduced schedule if either the reduction is determined to be in the best educational interest of the student or if the student is unable to generate a full-FTE based on their participation in a postsecondary gifted and talented program. (5-G-C-2)

Section 5-H: Reduced Schedule Pupils

IEP Reduced Schedule Documentation

A note has been added specifying that documentation for a partial day of instruction must be provided by an M.D. or D.O. If provided by a physician's assistant or nurse practitioner, the documentation must be signed by an M.D. or D.O. (5-H-1)

Section 5-K: Birth to 5 Special Education Programs and Services

Membership Requirements and Calculations

Section 5-K was substantially revised for 2025-26 to reorganize and clarify requirements for birth-to-five special education programs and services, including placement, service delivery, and documentation expectations.

Section 5-Q-A: Section 23a Dropout Recovery Program

Membership Calculations

Membership may now be generated two ways: 1) 1/12 of a membership for each month of satisfactory progress, or 2) 1/12 of a membership for each course completed during a month. (5-Q-A-1)

Section 6-C: Future Proud Michigan Educator Explore Programs

Virtual Learning Requirements

For pupils participating in virtual learning from a non-school facility, the district must provide a computer and offer to provide internet access to ensure the pupil can meaningfully participate. (6-C-1)

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Teacher Certification

Clarification has been added regarding teacher certification requirements for different program models. For all models, the teacher of record must be a certified teacher or hold a valid substitute permit. For Peer-to-Peer and Flipped models, the teacher of record must also hold appropriate certification for the subject area. (6-C-2)

Appendix A: Glossary of Terms

Several definitions have been added or updated to align with current statutes and administrative rules. These include:

- **Alternative Education Program**
- **Asynchronous Instruction**
- **Clinical Experience**
- **Countable Instructional Time**
- **Instructional Delivery Model**
- **Instructional Time**
- **Participation**
- **Synchronous Instruction**
- **Teacher of Record**
- **Two-Way Interaction**

Appendix B: Abbreviations/Acronyms

The following abbreviations and acronyms have been added or clarified:

- **ASD:** Autism Spectrum Disorder (Autism)
- **ED:** Economically Disadvantaged
- **EMC:** Early Middle College
- **MMC:** Michigan Merit Curriculum
- **PAM:** Pupil Accounting Manual
- **21f:** Section 21f Virtual Learning
- **23a:** Section 23a Dropout Recovery Program