



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING

GRETCHEN WHITMER
GOVERNOR

SHEILA A. ALLES
INTERIM STATE SUPERINTENDENT

MEMORANDUM

DATE: April 18, 2019

TO: Local and Intermediate School District Superintendents
Public School Academy Directors

FROM: Kyle L. Guerrant, Deputy Superintendent ^{KG}
Finance and Operations

SUBJECT: School-Level Expenditure Reporting Under the Every Student Succeeds Act (ESSA) Update

The purpose of this communication is to provide an update regarding the school-level expenditure reporting required under the Every Student Succeeds Act (ESSA) and upcoming opportunities for districts to review school-level financial data used for this purpose. The Michigan Department of Education (MDE) previously communicated an overview of this requirement and MDE's approach to compliance on June 21, 2018 ([Memo 2018-091 School-Level Expenditure Reporting Under the Every Student Succeeds Act \(ESSA\)](#)).

MDE has not previously published school-level financial data. As a result of this new transparency requirement under ESSA, districts will likely receive questions surrounding spending equity and building-level budgeting practices from their families, their community, researchers, and other entities. Therefore, districts are encouraged to involve superintendents, school boards, business office, and other staff in conversations and communication planning.

Before the 2020 public report, MDE is offering districts two opportunities to review how their submitted expenditures will be calculated under the new school-level reporting. Districts are encouraged to utilize these tools to ensure the accuracy of school-level expenditures when submitting 2018-2019 school year data this fall. At the end of this memo is a table summarizing upcoming events around this reporting requirement.

First, districts will receive an email in May 2019 from the Center for Educational Performance and Information (CEPI) that contains district-specific school-level per-pupil expenditure data based on 2017-18 school year reporting. This 2017-2018 school level data will not be published by MDE. Districts are encouraged to carefully

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review per-pupil expenditure amounts for each building to better understand the new school-level calculations. While the correction period for this 2017-18 data is now closed, districts should make any necessary corrections to 2018-19 accounting records before reporting expenditures in fall 2019.

Second, districts will have an opportunity to preview school-level calculations for your district's 2018-2019 expenditures before submitting to the Financial Information Database (FID). This reporting window for 2018-2019 school year data will be open September 3, 2019, through November 1, 2019. This preview report will be available upon successful upload of data files, even before final submission of the FID. Therefore, districts will be able to correct the coding of any expenditures found incorrectly reported or assigned to an incorrect school building before final submission. Please note, this calculation report will not reflect the final visual representation of school-level expenditure data on the 2020 public report. In early 2020, districts will have an opportunity to preview the public report before the final public release in early 2020.

MDE and CEPI will continue to communicate additional guidance and information as they become available. The latest information on the school-level expenditure reporting requirement of ESSA is available on MDE's [ESSA School-Level Financial Reporting web page](#).

This ESSA reporting requirement supports Michigan's Top 10 in 10 Goal 5. Goal 5 ensures that parents/guardians are engaged and supported partners in their child's education by allowing families to participate in discussions around equity of funding for their children's school building.

Questions regarding school-level expenditure reporting and other financial accounting topics may be directed to Christopher May at 517-335-1263 or MayC@michigan.gov.

Item	Actions	Timeline
'17/'18 school year data sample (CEPI Email)	Review previous year expenditures to better understand the new school-level calculations	May 2019
FID System Report	Review system report in the FID prior to submitting '18/'19 school year expenditures	Fall 2019
FID Submission	Final submission of '18/'19 school year expenditures	By Nov. 1, 2019
Report Preview	Preview of final report to assist in district communications	Early 2020
Public Report	Report is available to the public	Early 2020

cc: Michigan Education Alliance