



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING

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GOVERNOR

MICHAEL F. RICE, Ph.D.
STATE SUPERINTENDENT

MEMORANDUM

DATE: December 17, 2020

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

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

SUBJECT: Michigan School Accounting Manual (Bulletin 1022)
CHANGE NOTICE #31

The Michigan school accounting manual (Bulletin 1022) serves as a mandatory guide to the uniform classification and recording of accounting transactions for Michigan public school districts. The purpose of this correspondence is to transmit Michigan public school accounting manual change notice #31.

The information on page 3 of this memo gives the detail for pages in the manual that have been changed. You may print those pages from the Michigan Department of Education (MDE) website. Please communicate these changes to others in your district who may be in possession of the Michigan public school accounting manual to ensure that all school district accounting manuals are current. The entire manual, along with this change notice, is also available electronically on the [Michigan Public School Accounting Manual](#) page of the MDE website.

The Michigan public school accounting manual contains the state-prescribed chart of accounts to be used by all public school districts in Michigan. According to Section 1281 of the Revised School Code (MCL 380.1281):

1) The department shall:

a) Require each board, each public school academy board of directors, each intermediate school board, and the officers of each of those boards to observe the laws relating to schools...prescribe appropriate uniform pupil and financial accounting records for use in school districts, public school academies, and intermediate school districts and promulgate rules for their adoption.

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The department may examine and audit the official records and accounts of school districts, public school academies, and intermediate school districts, and may compel proper accounting by legal action instituted by direction of the attorney general.

MDE staff and members of the Michigan public school accounting manual referent group will continue their efforts to ensure uniformity in the recording and reporting of Michigan public school district accounting transactions via updates to this manual. **Unless otherwise required, the changes listed in change notice #31 are to be implemented for school fiscal year 2021-22. Earlier application of these changes is encouraged.**

If you have questions concerning the Michigan public school accounting manual, please contact Christopher May at 517-335-1263 or MayC@michigan.gov.

cc: Michigan Education Alliance
Confederation of Michigan Tribal Education Directors

Change Notice 31

Section	Sub-Section	Change	Discard Page #	Add Page #
Appendix	Balance Sheet Major Class Codes	Revised Allowable Funds of Major Class Code 492 to include Internal Service Funds (8x)	11	11
Appendix	Revenue Major Suffix Codes	Added Suffix Code 0170 – Title IV	24	24
Appendix	Expenditure Function Codes	Added reference to classroom technology and distance learning to Instruction Function Codes, revised Allowable Funds of Instruction Function Codes to include Capital Projects Funds (4x)	25-26	25-26
Appendix	Expenditure Function Codes	Removed reference of distance learning technology from Function Code 225	28	28
Appendix	Expenditure Function Codes	Revised Allowable Funds of Function Code 266 to include Capital Projects Funds (4x)	30	30
Appendix	Expenditure Object Codes	Revised Allowable Function Codes of Object Codes 3410, 3430, and 3490 to include Instruction Function Codes (1xx)	42	42
Appendix	Grant Codes	Updated Grant Codes	53-62	53-62