

HAPPY HOLIDAYS TO ALL OF YOU

Superintendent Michael Rice and the State Aid and School Finance Unit of the Office of Financial Management (Jeff, Brian, John, Chris, Chad, Jessica, Carri, and Phil) wish each of you a Happy Holiday Season! Also, we wish you the best for the upcoming New Year. As always, we encourage you to feel free to contact us with questions or concerns that we may be able to help with. In addition, we would like to thank you for the many kind words of support and encouragement that you express to us when we talk on the phone or meet remotely during this difficult time. We very much look forward to the day when we can meet with you all in person again.

JANUARY 15, 2021 REVENUE ESTIMATING CONFERENCE

A revenue estimating conference will be held on January 15, 2021 to update revenue projections for fiscal year (FY) 2021 and FY 2022, and to make initial projections for FY 2023. The results of that conference will have an effect on school aid for those years. For detailed information on the January revenue estimating conference, go to the [House of Representative Fiscal Agency website](#) or [Senate Fiscal Agency website](#) following the conference.

DECEMBER PAYMENT INFORMATION

The December state school aid payment is the third regular payment of the 2021 fiscal year. The payment will be electronically transferred to the districts' accounts on Monday, December 21, 2020.

Pupil membership – October 2020 unaudited pupil count data reported to the Center for Educational Performance and Information (CEPI) via the Michigan Student Data System (MSDS) were used in the calculation of the blended membership count for the December payment.

New Section 29a – The December payment includes funding under the new Section 29a. This section provides up to \$66 million to offset the effect of the 75/25 superblend by paying the district foundation amount (capped at \$8529) for the difference between the superblend and the standard 90/10 blend. We are pleased to find that this categorical payment has not prorated in December, and is effectively holding growing districts harmless from the effects of the superblend.

Updated categoricals – The following categoricals were updated in the December payment although the updates may not have affected the allocation amounts for all districts. If the allocation amount for your district has changed and you have questions concerning that change, contact the consultants below:

- Great Start Readiness Program (Becky Pennington – Office of Great Start, 517-241-7005, PenningtonB@michigan.gov)
- MPSERS Normal Cost Offset – Section 147a(2) funds are now being paid out at 100% to follow the same schedule as 147e payments (Phil Boone – Office of Financial Management, 517-899-0796 cell, BooneP2@michigan.gov)

MICHIGAN PUBLIC SCHOOL ACCOUNTING CHANGE NOTICE #31

Change Notice #31 updating the *Michigan Public School Accounting Manual* was distributed on January 9, 2020. Unless otherwise required, the changes listed in the

notice are to be implemented for the 2020-21 fiscal year. These changes have been incorporated into the manual, which is available on the [Department's website](#). Questions related to the change notice or public school accounting should be directed to Christopher May at 517-335-1263 or by e-mail at MayC@Michigan.gov.

REMINDER – CORONAVIRUS RELIEF FUNDS (CRF) END DATE

Expenditures of Coronavirus Relief Funds (CRF) received by districts in July and August 2020 State Aid payments (under Sections 103(2) and 11p) must be incurred by December 30, 2020. Additional information regarding these funds and allowable uses is available on our [website](#).

BUDGET TRANSPARENCY REMINDER

With 2019-20 audit and FID submissions due by December 1, budget transparency websites need to be updated by January 1.

You do not have to wait for our review. When your transparency page is ready for review, please let Chad Urchike know and your page will be given priority.

Budget transparency guidance may be found on our [website](#). It contains information on the required data elements, the prescribed form and manner, and examples of the required transparency reports. Please direct budget transparency questions to Chad Urchike at UrchikeC1@Michigan.gov or 517-335-1261.

CALL TO UPDATE EEM BUSINESS MANAGER CONTACT

Help us reach you with important financial information by adding or reviewing your district's Business Manager contact information in the Educational Entity Master (EEM). By adding a Business Manager contact, you help ensure timely receipt of communications regarding matters like indirect costs, Section 23a membership, and Section 25g categorical adjustments.

The district's [EEM](#) authorized user has access to add additional contacts. To identify the current authorized user, you have two options:

1. Send a message to the district authorized user by searching for your school in the [EEM](#)-Search window, click the link for your district, and then click the "Contact Authorized User" button near the top-left of the window.
2. Email [CEPI Customer Support](#) at cepi@michigan.gov or call 517-335-0505 x3.

Additional documentation: [How to Add, Remove or Edit a Contact Type in the Educational Entity Master](#).

GENERAL INFORMATION

- The proration factor for the Section 31a - At Risk funds is 78.58060840%.
- The Headlee Obligation for Data Collection funds are paid at \$26.0053989509 per pupil.

*Do you have questions about the information appearing in this UPDATE? Call the consultants identified above or **Phil Boone, Assistant Director, Financial Management, MDE**, phone: **517-899-0796** cell, fax: **517-241-0196**, e-mail: BooneP2@Michigan.gov