

Michigan Department of Education (MDE) 2017-2018 Grants Breakdown

The Michigan legislature makes annual appropriations to support K-12 education. The appropriations are distributed from the School Aid Act and include the per-pupil foundation allowance as well as funds for public school employee retirement costs, debt service, and testing. There are also funds targeted for academic programs or student supports that are distributed as grant payments to selected districts.

For fiscal year 2017-18 the state appropriated more than \$14.6 billion for K-12 education. The per-pupil foundation allowance is the largest source of school operating revenue, which was \$9.2 billion of the total \$14.6 billion in FY 2017-18. In addition to the per-pupil foundation allowance there is more than \$2.0 billion in state and federal grants available to school districts.

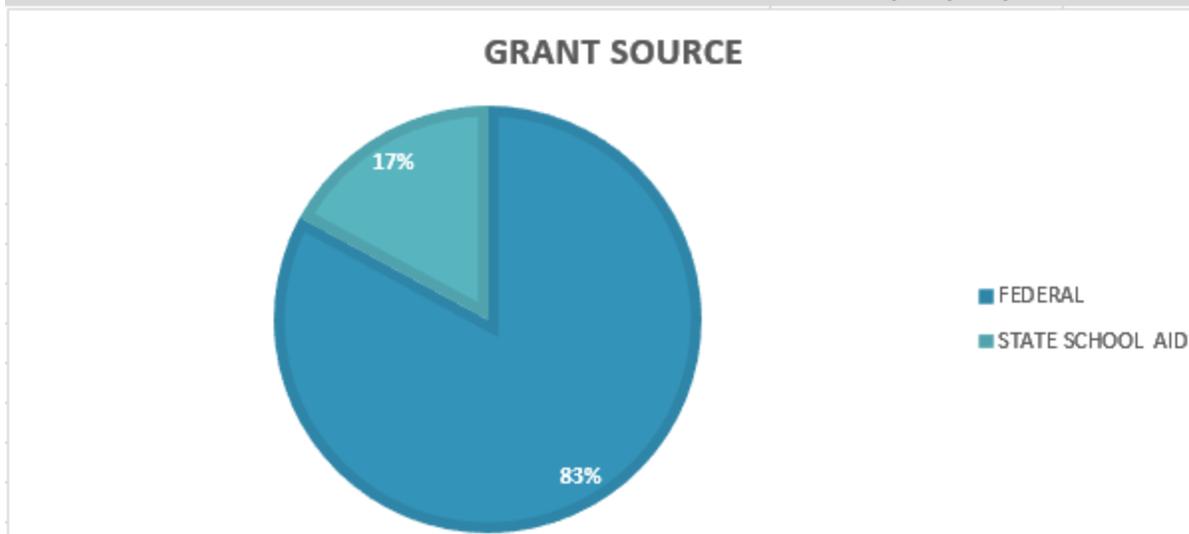
Education Appropriations FY 2017-18

Funding Type	Amount	Percent
Per-Pupil Funding	\$9,223,000,000	62.8%
Federal Grants	\$1,726,943,500	11.8%
MPSERS/Retire. State Costs	\$1,332,853,000	9.1%
State Special Education	\$960,446,100	6.5%
At-Risk Funding	\$523,200,000	3.6%
Early Childhood Funding	\$257,300,000	1.8%
Debt Serv./Cash Flow Costs/Ren. Zones	\$164,505,100	1.1%
Career Prep & CTE/Dual Enroll.	\$70,290,300	0.5%
Marshall Plan	\$100,000,000	
M-STEP Testing	\$33,000,500	0.2%
3rd Grade Reading Initiative	\$30,400,000	0.2%
Adult Education	\$27,000,000	0.2%
Other Programs	\$233,732,300	1.6%
Total	\$14,682,670,800	

The Michigan Department of Education (MDE) is responsible for managing and administering the more than \$2.0 billion in state and federal grant programs and reimbursements. The amount of funds that are administered as grants are primarily Federal (83%) and the largest sources of Federal grant funds are from the U.S. Department of Education (USED) and the U.S. Department of Agriculture (USDA).

Grant Source Breakdown

Type of Grant	Amount	Percentage
FEDERAL	\$1,723,220,785	83%
STATE SCHOOL AID	\$354,291,754	17%
Total Amount	\$2,077,512,539	

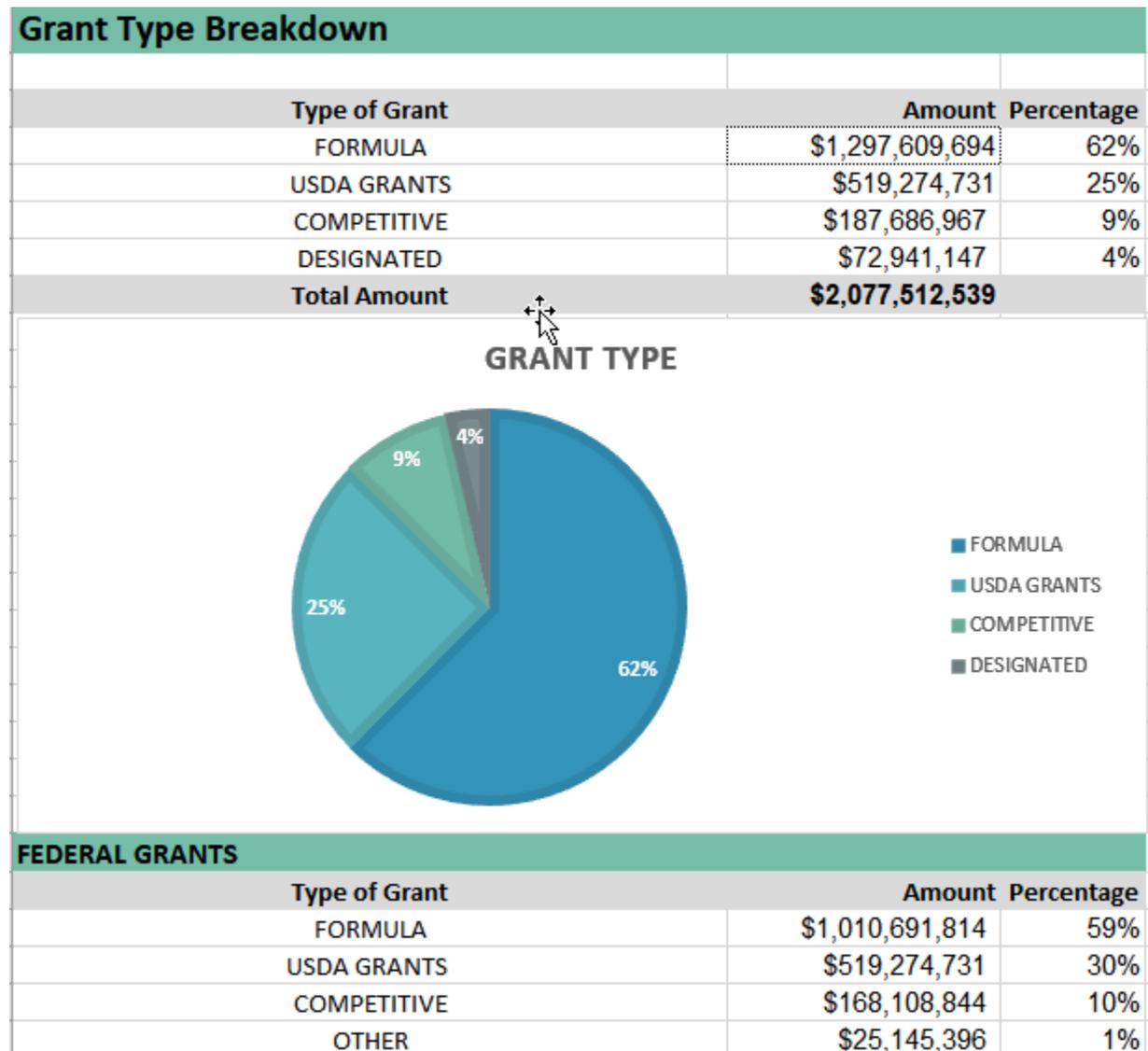


Most Federal funds are distributed as **formula** grants. Federal formula grants include calculations that measure a variety of factors such as the state's population, unemployment rate, poverty rates, housing density, infant mortality, population density, percentage of seniors, low income families or individuals with disability. The formula is specified Federally and determines how much aid the agency is qualified to receive. Local education entities, typically school districts, receive an allocation based on the approved formula. Districts annually submit applications including narratives, detailed budgets, certifications, and assurances to receive the funds. These applications are reviewed and approved by MDE program office staff. Examples of federal formula grants include Title I, Improving Basic Programs; Title II – Part A, Supporting Effective Instruction; and, Individuals with Disabilities Act (IDEA) grants that provide assistance for educating all children with disabilities.

The second largest source of federal funds are **USDA Grants** that provide meal reimbursements for lunches, afterschool snacks, and breakfasts served to children participating in the National School Lunch and School Breakfast Programs. Districts or eligible entities submit applications to participate in the USDA child nutrition programs. Once the applications are approved, reimbursement is provided based on the number of meals served.

MDE also serves as a pass-through agency for federal discretionary grants which are usually administered as competitive grants. **Competitive** grants allow eligible districts to apply for funds to complete specific projects. There is a fixed amount of funds available based on awards given after an application process. Applications are reviewed, scored, and ranked with the highest scoring applications chosen for funding.

Designated grants are usually appropriated by the Legislature to a specific agency, for a specific purpose, and typically for a single year.

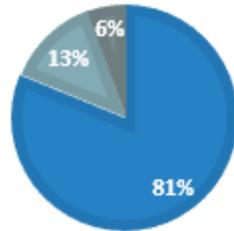


State **formula** grants include long term programs such as funding for at-risk students (Section 31a). State **designated** grants are assigned to a specific entity either in state legislation or in an application submitted by the state to a funding source. State **competitive** grants are limited term or focused, such as Partnership Model District grants.

STATE GRANTS

Type of Grant	Amount	Percentage
FORMULA	\$286,917,880	81%
DESIGNATED	\$47,050,801	13%
COMPETITIVE	\$19,478,123	6%
Total Amount	\$353,446,804	

STATE GRANTS



- FORMULA
- DESIGNATED
- COMPETITIVE