



MICHIGAN SCHOOL BUSINESS OFFICIALS

MSBO Update

GVSBO
March 10, 2017

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Michigan School Business Officials



Michigan School Business Officials


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• Personnel



Michigan School Business Officials

CURRENT YEAR INFORMATION

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MICHIGAN SCHOOL BUSINESS OFFICIALS

School Aid

The School Aid Budget pays for the operations of public schools to "maintain and support a system of free public elementary and secondary schools as defined by law" as required by the Michigan Constitution.

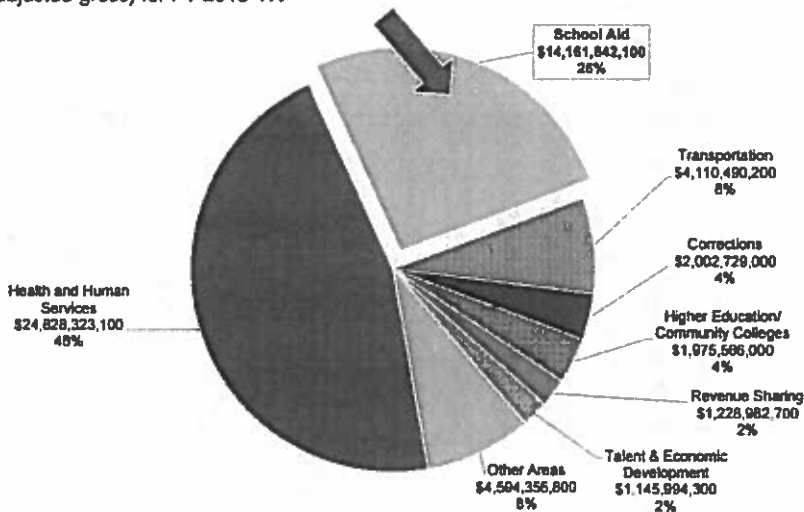
- o The School Aid budget makes appropriations to 541 local school districts, 300 public school academies, and 56 intermediate school districts (ISDs) for operations and certain categorical programs.
- o It also provides funds to the Center for Educational Performance and Information (CEPI), the Talent and Economic Development Department, and other entities to implement certain grants and other programs related to K-12 education.

- o Provides School Aid Funding to 28 Community Colleges*
- o Provides School Aid Funding to 15 Universities*



School Aid Share of Total State Budget

The School Aid budget represents over a quarter of the \$54.0 billion state budget (adjusted gross) for FY 2016-17.



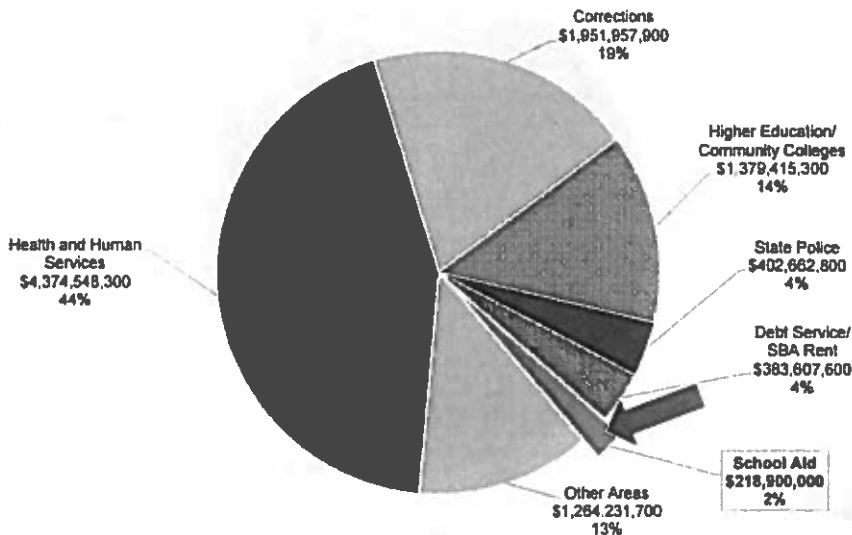
House Fiscal Agency

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August 2016

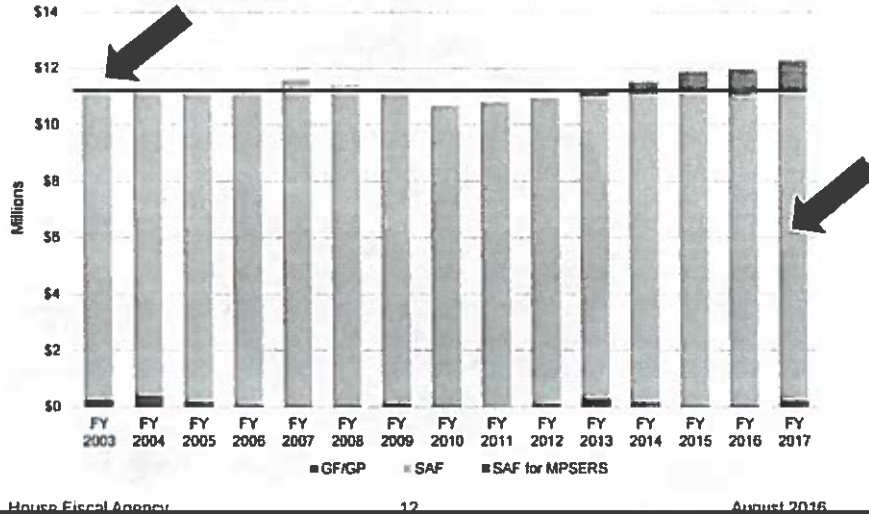
School Aid Share of Total GF/GP Budget

The School Aid budget represents 2% of the state's \$10.0 billion GF/GP budget for FY 2016-17.



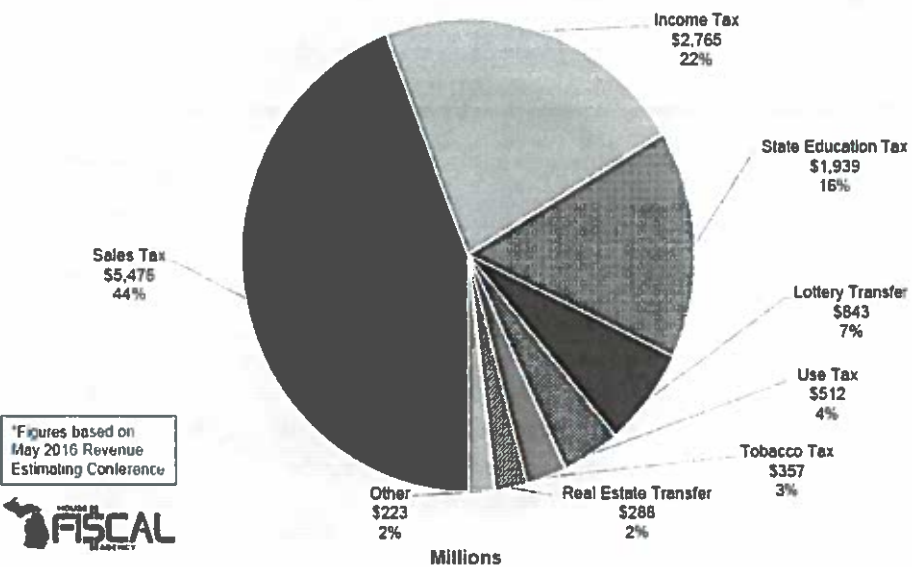
School Aid Funding History – State Funds

\$982.8 million has been added to hold districts harmless from increasing retirement liability costs. Total funding for foundation allowances and other operational costs is still below previous peaks.

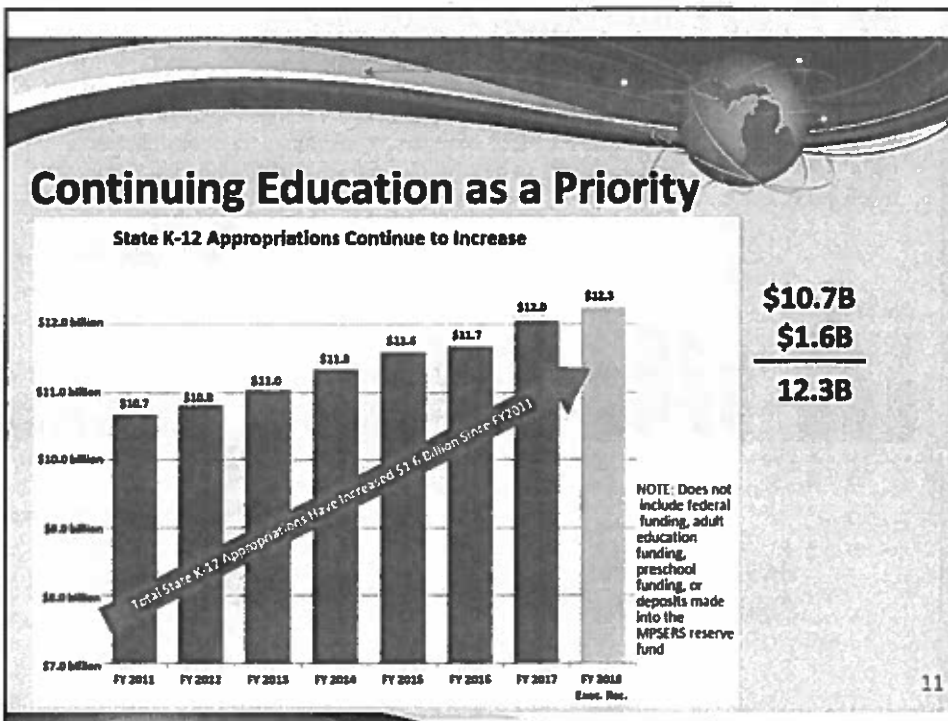


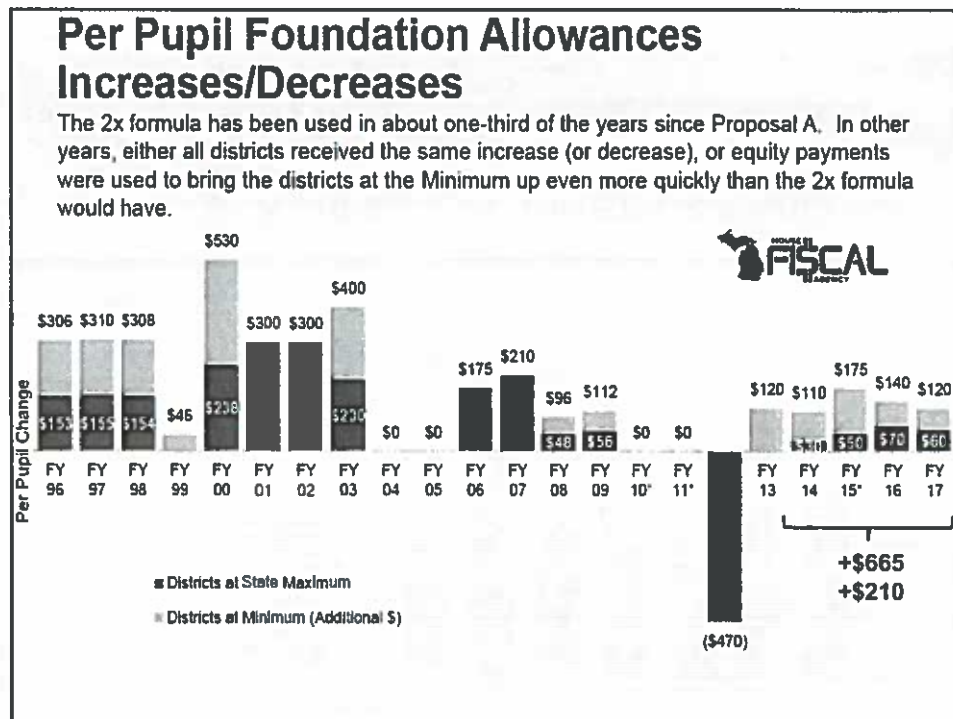
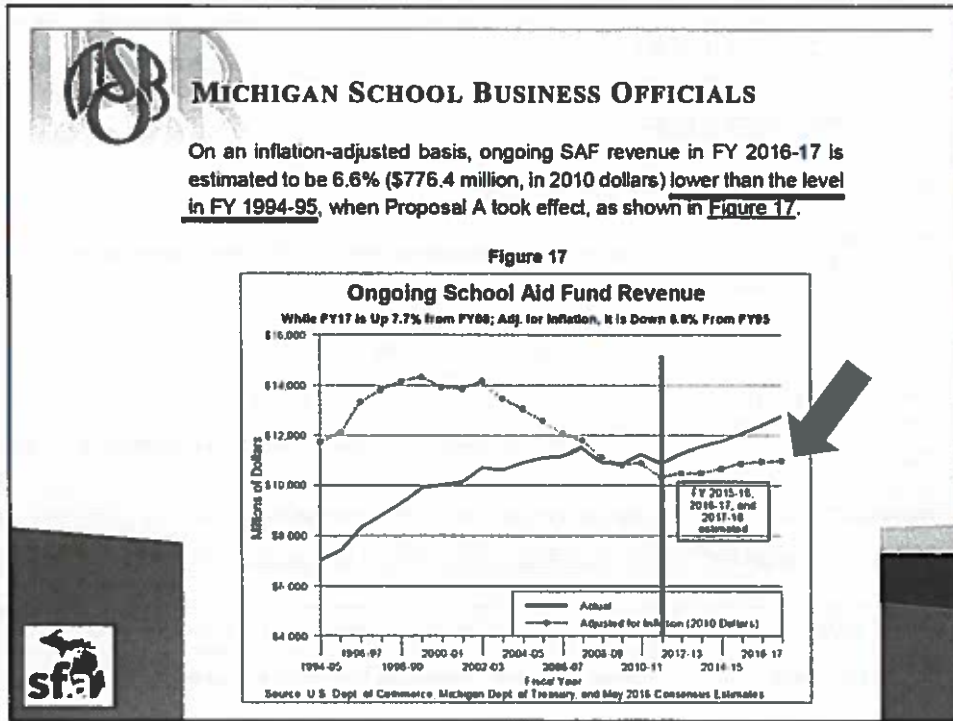
SAF Revenue Sources

Sales Tax is the largest revenue source, contributing nearly half of the \$12.4 billion in total estimated SAF revenue for FY 2016-17.



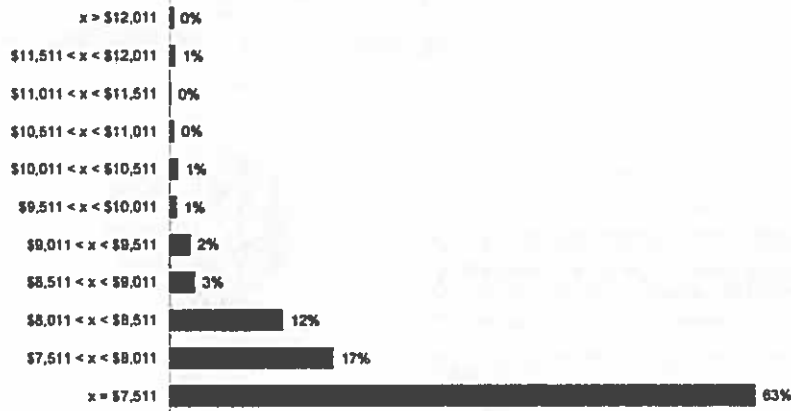
SCHOOL AID FUND TAX REVENUE		REVENUE SOURCE AND DISTRIBUTION House Fiscal Agency
SALES TAX	School Aid Fund receives approximately 73.3% of gross sales tax revenue. Current tax rate is 6%.	
INDIVIDUAL INCOME TAX EARMARKING	School Aid Fund receives approximately 23.8% of gross income tax revenue.	
STATE EDUCATION TAX	Levied on all real and personal property except exempt manufacturing personal property and property subject to the small parcel exemption. All revenue is dedicated to the School Aid Fund.	
LOTTERY TRANSFER	School Aid Fund receives the net revenue from lottery sales.	
USE TAX	The School Aid Fund receives one-third of use tax revenue collected at the 6% rate.	
TOBACCO TAXES	School Aid Fund receives 41.6% of cigarette tax revenue.	
REAL ESTATE TRANSFER TAX	School Aid Fund receives 100% of the real estate transfer tax. Tax rate is 0.75% of the sale price of real estate.	
CASINO WAGERING TAX	School Aid Fund receives all casino wagering tax revenue.	
OTHER SAF TAXES	Includes industrial and commercial facilities tax and commercial forest tax.	
LIQUOR EXCISE TAX	The Liquor Excise Tax is 4% of the retail price.	





Equity Among Districts FY 2016-17 Pupil Distribution

In FY 2016-17, 63% of pupils were concentrated in districts with a foundation allowance at the minimum foundation \$7,511. As the minimum increases relative to the Basic, that share continues to grow, thereby increasing the cost of future equity payments.



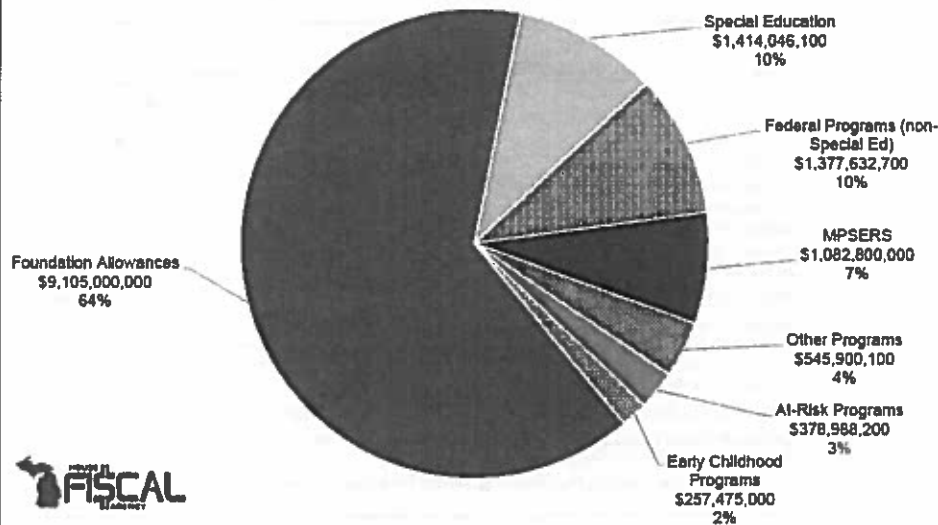
House Fiscal Agency

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January 2017

FY 2016-17 Gross Appropriations

About two-thirds of the \$14.2 billion School Aid budget supports per pupil foundation allowances used for school district general operations.



EXCELLENT RESOURCE – “CHEAT SHEET”


**MICHIGAN SENATE
FISCAL AGENCY**

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Fiscal Analysts:
Kathryn Summers & Cary Sarboe

Department Contacts

The School Aid budget covers the per-pupil foundation allowance, special education, at-risk programs, early childhood education, adult education, intermediate school districts, public school academies, vision and hearing screenings, No Child Left Behind grants, Federal grants, school lunch and breakfast, vocational education, assessments, and the Center for Educational Performance and Information.

Most Recent High-Quality School

Most Recent Dispatched Decision Document, Governor, Senate, House, and Conference

Current Fiscal Year Initial Appropriations Highlight Sheet


Current Fiscal Year Initial Appropriations Detailed Decision Document

General Overview

Line Item and Boilerplate History

SCHOOL AID (K-12)

**School Aid (K-12)
FY 2016-17 Initial Gross Appropriations
by Program Area**



Total Gross Appropriations: \$14,161,842,100


[Click to show/hide pie chart data table](#)

[Funding History](#)

[Submission Date](#)

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SFA ANALYST: Kathryn Summers
DATE: September 2016

APPROPRIATION LINE ITEM AND BOILERPLATE HISTORY

K-12 SCHOOL AID		2016 PA 249
PART 1: LINE ITEM DETAIL		Article I
		FY 2016-17
		Initial
Sec. 11 APPROPRIATION SUMMARY		
1. <u>Unclassified full-time equated (FTE) positions</u> - Positions that are exempted from the classified State civil service pursuant to Article XI, Section 5 of the Michigan Constitution.		N/A
2. <u>Classified FTE positions</u> - All positions in State service unless exempted by Article XI, Section 5 of the Michigan Constitution. One FTE position equals 2,088 hours.		N/A
3. <u>GROSS APPROPRIATION</u> - Total appropriations	\$14,161,842,100	
4. <u>Interdepartmental grants (IDG)</u> - Funds that are also appropriated in other budgets. These funds are categorized as IDGs in the Department of Education that spends the funds and are therefore subtracted from the Gross Appropriation to avoid double counting total statewide appropriations.		N/A
5. <u>ADJUSTED GROSS APPROPRIATION</u> - Gross appropriations less IDGs.	14,161,842,100	
6. <u>Federal revenue (on-going)</u> - Funding allocated to the State by the Federal government that is not temporary in nature.	1,818,632,700	
8. <u>Local revenue</u> - Funds paid by local units of government that support State services and programs.		N/A



Michigan School Business Officials

FY 2017-18 INFORMATION

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MICHIGAN SCHOOL BUSINESS OFFICIALS

Consensus Revenue Agreement Executive Summary January 12, 2017

**Economic and Revenue Forecasts
Fiscal Years 2017, 2018 and 2019**

**Table 2
January 2017 Consensus Forecast
(millions)**

	Net Revenue Estimates							
	FY 2016		FY 2017		FY 2018		FY 2019	
	Preliminary	May 2016 Consensus	Jan 2017 Consensus	\$ Change From May	May 2016 Consensus	Jan 2017 Consensus	\$ Change From May	Jan 2017 Consensus
Net GF-GP Revenue	\$10,015.4	\$10,138.5	\$10,290.1	\$151.6	\$10,607.1	\$10,522.7	(\$84.4)	\$10,580.3
% Growth	-0.2%	4.2%	2.7%	4.6%	2.3%	\$232.8		0.6%
\$ Growth			\$274.7					\$68.6
Net BAF Revenue	\$12,116.7	\$12,402.4	\$12,457.0	\$54.6	\$12,780.6	\$12,783.1	\$2.5	\$13,131.5
% Growth	3.2%	2.8%	2.8%	2.9%	2.8%	\$326.1		2.7%
\$ Growth			\$338.3					\$348.4
Combined GF-GP/BAF	\$22,132.1	\$22,541.0	\$22,747.1	\$206.2	\$23,387.8	\$23,305.8	(\$82.1)	\$23,720.8
% Growth	1.6%	3.4%	2.8%	3.7%	2.5%	\$559.7		1.8%
\$ Growth			\$613.0					\$415.0

Revenue Limit Calculation				Long Term Revenue Trend		
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Personal Income	\$403,726	\$424,807	\$440,101	\$457,263	\$10,731.3	\$10,848.1
Ratio	9.49%	9.48%	9.49%	9.49%	1.3%	1.1%
Revenue Limit	\$38,313.5	\$40,314.2	\$41,765.6	\$43,364.7	\$13,409.0	\$13,677.6
Revenue Subject to Limit	\$29,830.7	\$31,028.1	\$32,271.3	\$33,184.7	\$13,409.0	\$13,677.6
Amount Under (Over) Limit	\$8,482.8	\$9,286.1	\$9,494.3	\$10,180.0	\$2,000.0	\$2,000.0

Note: FY 2014 Personal Income is used for the FY 2016 revenue limit calculation, FY 2015 for FY 2017, FY 2016 for FY 2018, and FY 2017 for FY 2019.


Budget Stabilization Fund Calculation			School Aid Index		
	FY 2017 Calculations	FY 2018 Calculations		FY 2018	FY 2019
PAY-IN	\$148.2	\$148.2	Revenue Adjustment Factor	1.8238	1.8248
NO PAY-IN OR PAY-OUT	\$0	\$0	Pupil Membership Factor	1.9228	1.9230
NO PAY-IN OR PAY-OUT	\$0	\$0	School Aid Index	1.8265	1.8276


Prepared By: Office of Revenue and Tax Analysis, Michigan Department of Treasury
Updated: 1/12/2017


**COMPARISON OF PROPOSED PUPIL MEMBERSHIP ESTIMATES
FY 2016-17, FY 2017-18, and FY 2018-19**

PROPOSED ESTIMATED PUPIL MEMBERSHIPS				
	MAY 2016 CONSENSUS ESTIMATE	CHANGE FROM MAY ESTIMATE	PROPOSED JAN 2017 CONSENSUS ESTIMATE	CHANGE FROM PRIOR YEAR
FY 2016-17				
LOCAL DISTRICTS	1,331,000	6,700	1,337,700	(6,600)
PUBLIC SCHOOL ACADEMIES	153,500	(500)	153,000	1,389
TOTAL	1,484,500	6,200	1,490,700	(6,280)
FY 2017-18				
LOCAL DISTRICTS	1,319,000	17,600	1,336,600	(1,200)
PUBLIC SCHOOL ACADEMIES	155,500	(5,500)	150,000	(3,000)
TOTAL	1,474,500	12,000	1,486,600	(4,200)
FY 2018-19				
LOCAL DISTRICTS	N/A	N/A	1,330,000	(5,500)
PUBLIC SCHOOL ACADEMIES	N/A	N/A	152,000	2,000
TOTAL	N/A	N/A	1,482,000	(4,500)
FY 2017-18 Nonpublic Dual Enrollment Cost in Treasury Budget			\$2,000,000	\$500,000

Note: Beginning in FY 2017-18, the pupil membership count for the Education Achievement Authority (EAA) is transferred from the PSA count to the local district count, as these schools will be transferred back to Detroit Community School District









MICHIGAN SCHOOL BUSINESS OFFICIALS

**FY 2017-18
Executive Recommendation**

SCHOOL AID FUND REVENUE ESTIMATES
(Millions of Dollars)

	FY 2016-17	FY 2017-18	FY 2018-19	FY 2017-18 Over FY 2016-17		FY 2018-19 Over FY 2017-18	
				Change	Change	Change	Change
Sales and Use Taxes	\$5,871.4	\$6,143.9	\$6,337.0	\$172.5	2.9%	\$193.1	3.1%
Income Tax Earmark	2,770.6	2,864.3	2,957.7	93.7	3.4%	93.4	3.3%
Lottery and Casinos	1,006.0	1,007.0	1,006.8	1.0	0.1%	(0.2)	(0.0%)
Tobacco Taxes	353.0	348.4	343.5	(4.6)	(1.3%)	(4.9)	(1.4%)
State Education Tax	1,933.9	1,990.8	2,049.0	56.7	2.9%	58.4	2.9%
Real Estate Transfer Tax	305.2	309.8	316.0	4.6	1.5%	6.2	2.0%
Liquor Excise Tax	63.6	64.8	66.2	1.2	2.2%	1.4	2.6%
Other Specific Taxes	63.3	64.3	65.3	1.0	1.7%	1.0	1.6%
Total SAF Revenue	\$12,467.0	\$12,783.1	\$13,131.6	\$328.1	2.6%	\$348.4	2.7%

Net Tax Revenue Sources increase 2.6% and 2.7%




MICHIGAN SCHOOL BUSINESS OFFICIALS

The Governor's Budget

Michigan.gov

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MICHIGAN SCHOOL BUSINESS OFFICIALS


**Summary: Executive Budget Recommendation
for Fiscal Year 2017-18
SCHOOL AID**

**Analyst: Bethany Wicksall
Samuel Christensen**

	FY 2016-17 Year-to-Date as of 2/8/17	FY 2017-18 Executive	Difference: FY 2017-18 Vs. FY 2016-17	
			Amount	%
IDGADT	\$0	\$0	\$0	-
Federal	1,818,632,700	1,726,943,500	(91,689,200)	(5.0)
Local	0	0	0	-
Private	0	0	0	-
Restricted	12,124,309,400	12,360,145,300	235,835,900	1.9
GF/GP	218,900,000	215,000,000	(3,900,000)	(1.8)
Gross	\$14,161,642,100	\$14,302,088,800	\$140,246,700	1.0

Notes: (1) FY 2016-17 year-to-date figures include mid-year budget adjustments through February 8, 2017. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview:
The School Aid budget makes appropriations to the state's 536 local school districts, 300 public school academies, the Education Achievement System, and 56 intermediate school districts (ISDs) for operations and certain categorical programs. It also appropriates funds to the Center for Educational Performance and Information, the Workforce Development Agency, and other entities to implement certain grants and other programs related to K-12 education.



MICHIGAN SCHOOL BUSINESS OFFICIALS

**Summary: Executive Budget Recommendation
for Fiscal Year 2017-18
SCHOOL AID**

Major Budget Changes From FY 2016-17 Year-to-Date (YTD) Appropriations	FY 2016-17 YTD (as of 2/8/17)	Executive Change from YTD
1. Foundation Allowance – Increase (Secs. 22a and 22b) Increases foundation allowances from \$50 to \$100 using the 2x formula. The minimum foundation allowance would increase from \$7,511 to \$7,611 and the state maximum guaranteed foundation allowance would increase from \$8,229 to \$8,279.	Gross \$9,105,000,000 Restricted 8,932,587,200 GF/GP \$172,402,800	\$128,000,000 128,000,000 \$0
2. Foundation Allowance – Cost Revisions (Secs. 22a and 22b) Reduces the state share of foundation allowance costs to reflect estimated increases in the local share due to increased taxable values and estimated decreases in pupils.	Gross \$9,105,000,000 Restricted 8,932,587,200 GF/GP \$172,402,800	(\$45,000,000) (45,000,000) \$0
3. Foundation Allowance – Cyber Schools (Secs. 22a and 22b) Reduces foundation allowances of cyber schools to 80% of the minimum foundation allowance after the school's first year of operation.	Gross \$80,000,000 Restricted 80,000,000 GF/GP \$0	(\$16,000,000) (16,000,000) \$0
6. Shared-time Instruction for Nonpublic and Homeschool Pupils (Sec. 23f) Revises state support for shared-time instruction programs where districts provide nonessential courses to nonpublic and home-schooled students from a per pupil foundation allowance to a categorical funding program. Caps total funding at \$60.0 million which is estimated to be a \$56.0 million reduction from current-year shared-time costs. Districts would receive prorated funding if total funding requests exceeded the appropriation.	Gross \$116,000,000 Restricted 115,000,000 GF/GP \$0	(\$55,000,000) (55,000,000) \$0

Net increase in Foundation Spending = \$12 million



MICHIGAN SCHOOL BUSINESS OFFICIALS

**Summary: Executive Budget Recommendation
for Fiscal Year 2017-18
SCHOOL AID**

<u>Major Budget Changes From FY 2016-17 Year-to-Date (YTD) Appropriations</u>	<u>FY 2016-17 YTD (as of 2/8/17)</u>	<u>Executive Change from YTD</u>
4. At-Risk (Sec. 31a)	Gross \$378,988,200	\$180,000,000
Increases by \$150.0 million to a total of \$529.0 million. Expands to include hold harmless and out-of-formula districts that are currently excluded. Also revises the distribution formula from	Restricted 378,988,200	150,000,000
<ul style="list-style-type: none"> • 11.5% x District Foundation x Free Lunch Eligible Pupils to • 11.5% x Statewide Weighted Average Foundation x Economically Disadvantaged Pupils. 	GF/GP \$0	\$0
<p>Economically disadvantaged pupils are currently collected and reported by CEPI to the US Department of Education and include pupils who are eligible for both free and reduced-price lunch, Temporary Assistance to Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP), or are homeless, migrant, or in foster care. The expanded definition is estimated to increase the number of pupils for whom districts receive funding by 131,000.</p> <p>However, total funding would not fully fund the expanded formula, so payments would be prorated on a per-pupil basis. The per-pupil allocation received is expected to increase from a current average of \$673 to \$778.</p>		

Estimated Impact averaging +\$105 Per Eligible Pupil



MICHIGAN SCHOOL BUSINESS OFFICIALS

**Summary: Executive Budget Recommendation
for Fiscal Year 2017-18
SCHOOL AID**

<u>Major Budget Changes From FY 2016-17 Year-to-Date (YTD) Appropriations</u>	<u>FY 2016-17 YTD (as of 2/8/17)</u>	<u>Executive Change from YTD</u>
5. High School Per Pupil Bonus (Sec. 22n) – NEW	Gross \$0	\$22,000,000
Includes \$22.0 million to provide districts with an additional \$50 per pupil for each pupil in grades 9 to 12 to reflect the higher costs of high school instruction.	Restricted 0	22,000,000
	GF/GP \$0	\$0
10. Declining Enrollment (Sec. 29) – NEW	Gross \$0	\$7,000,000
Includes \$7.0 million to districts that have experienced enrollment declines of more than 5% over the last 2 years. Funding would equal 1/3 of a district's foundation allowance multiplied by the difference between a 2-year average pupil membership blend and the district's actual membership blend. A district would be eligible for this funding for 2 years.	Restricted 0	7,000,000
	GF/GP \$0	\$0
12. Statewide School Drinking Water Quality Program (Sec. 78) – NEW	Gross \$0	\$4,500,000
Transfers this program, begun in FY 2016-17, from the MDE budget to the School Aid budget. Reimburses districts and nonpublic schools with up to \$950 per school building for the costs of voluntary water testing.	Restricted 0	0
	GF/GP \$0	\$4,500,000
13. Partnership Model Districts (Sec. 21H) – NEW	Gross \$0	\$3,000,000
Provides \$3.0 million (along with \$641,800 and 4.0 FTEs in the MDE budget) for interventions in districts identified as needing additional academic supports. Target districts would be districts not yet under the authority of the School Reform Office.	Restricted 0	3,000,000
	GF/GP \$0	\$0

"NEW" Funding of \$36.5 million



MICHIGAN SCHOOL BUSINESS OFFICIALS

Summary: Executive Budget Recommendation
for Fiscal Year 2017-18
SCHOOL AID

Major Budget Changes From FY 2016-17 Year-to-Date (YTD) Appropriations	FY 2016-17 YTD (as of 2/8/17)		Executive Change from YTD
7. MPSERS Assumed Rate of Return (AROR) – Unfunded Liability State Share (Sec. 147c)	Gross	\$982,890,000	(\$22,018,000)
Proposes a 2-year phase-in to reduce the MPSERS AROR from 8.0% to 7.5% at a cost of \$90.8 million FY 2017-18 and double that in FY 2018-19. The FY 2017-18 cost increase is offset by savings due to improved health care cost experience and higher rates of investment returns during the most recent 5-year actuarial smoothing period. Overall costs for the State Share are reduced by \$22.0 million to a total of \$960.8 million for FY 2017-18.	Restricted	\$82,200,000	(22,099,000)
	GF/GP	\$800,000	\$83,000
8. MPSERS Assumed Rate of Return (AROR) – Employer Normal Cost Increase Offset (Sec. 147a(2))	Gross	\$0	\$48,949,000
Reimburses districts and ISDs for the employer normal cost increases related to the AROR reduction from 8.0% to 7.5% at a cost of \$48.9 million for FY 2017-18 and a total of \$97.8 million in FY 2018-19.	Restricted	0	48,940,000
	GF/GP	\$0	\$29,000
Sec. 147a - MPSERS COST OFFSET			
1. Appropriation			\$100,000,000
2. Purpose of Appropriation			
To make payments to districts (not ISDs) participating in MPSERS, based on each participating district's percentage of the total statewide payroll for all participating			

Net MPSERS Funding increased \$27 million



MICHIGAN SCHOOL BUSINESS OFFICIALS

MPSERS Retirement Rates for FY2018							
	Basic MIP w/Prem Subsidy	Pension Plus w/Prem Subsidy	Pension Plus PHF	Pension Plus to DC w/PHF	Basic/MIP To DC w/ Prem Subsidy	Basic/MIP To DC w/PHF	Basic/ MIP w/PHF
Total Rate	24.88%	24.88%	24.34%	23.88%	23.85%	23.30%	24.63%
Employer Rate:							
Pension Normal Cost	4.33%	3.07%	3.07%	0.00%	0.00%	0.00%	4.33%
Pension LAL	14.78%	14.78%	14.78%	14.78%	14.78%	14.78%	14.78%
Retirement Incentive (10-yr. payband)	1.36%	1.36%	1.36%	1.36%	1.36%	1.36%	1.36%
Pension Total Rate	20.49%	19.21%	19.21%	16.14%	16.14%	16.14%	20.49%
Health Normal Cost	0.25%	0.25%	0.00%	0.00%	0.25%	0.00%	0.00%
Health LAL	4.82%	4.82%	4.82%	4.82%	4.82%	4.82%	4.82%
Retiree Health	5.07%	5.07%	4.82%	4.82%	5.07%	4.82%	4.82%
Employer Capped Rate	24.94%	24.28%	24.00%	20.96%	21.21%	20.96%	25.21%
Stabilization Rate	21.83%	21.83%	21.83%	21.83%	21.83%	21.83%	21.83%
	+.62%						
FY17 Employer Capped Rate	24.32%	24.31%	24.00%	20.96%	21.16%	20.96%	24.73%

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**SCHOOL AID FUND
SHIFT OF COMMUNITY COLLEGE AND UNIVERSITY FUNDING
2009-10 THRU Exec 2017-18
(Millions)**

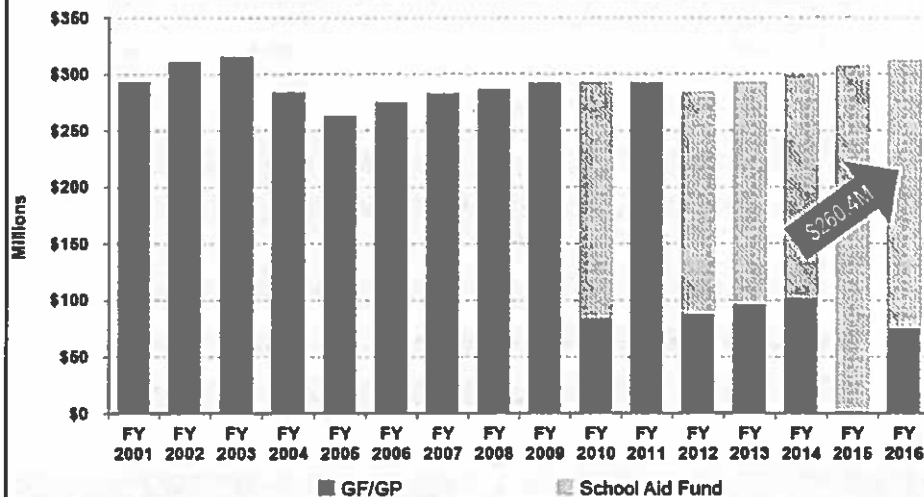
Granholm started →

Year	Community College	University	Total	Per K-12 Student
2009-10	\$ 208.4	\$ -	\$ 208.4	\$ 131
2010-11	-	-	-	-
2011-12	195.9	200.2	396.1	255
2012-13	197.6	200.6	398.2	259
2013-14	197.6	200.6	398.2	262
2014-15	364.7	206.5	571.2	379
2015-16	256.7	205.2	461.9	309
2016-17	260.4	237.1	497.5	334
2017-18	395.2	235.7	630.9	425
2018-19	403.4	238.5	641.9	433
	\$ 2,479.9	\$ 1,724.4	\$ 4,204.3	\$ 2,786

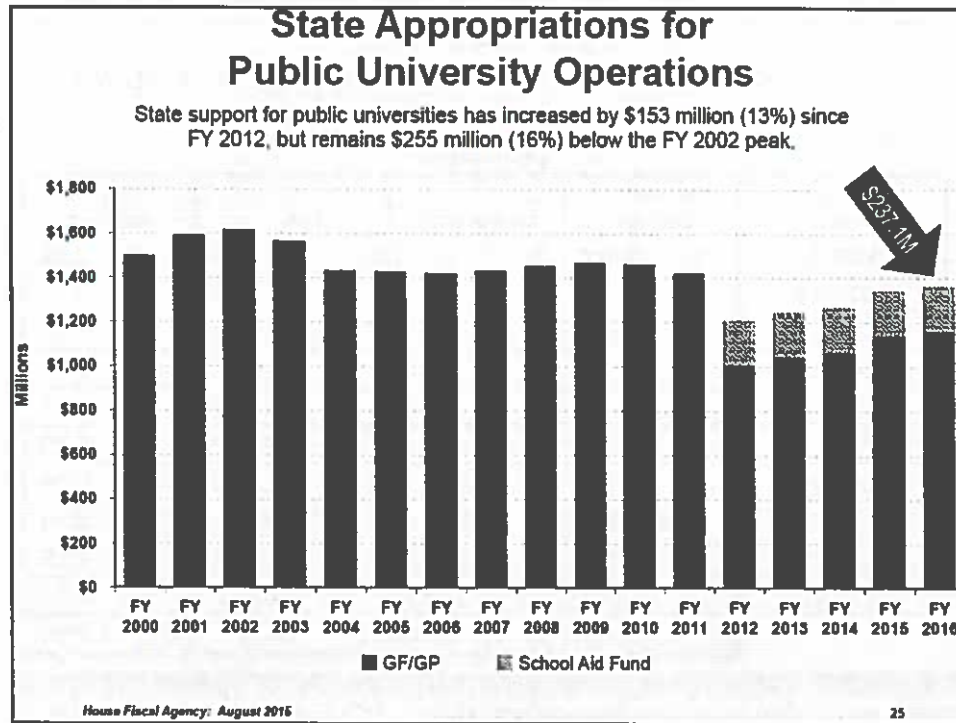
Net CC/Univ Funding increased \$133.4 million

**State Appropriations for
Community Colleges Operations**

Despite recent growth, state support for community college operations remains slightly below the FY 2003 peak. The School Aid Fund is now the primary source for this funding.



Note: Excludes funding added in recent years for retirement rate cap; funds flow through to retirement system.



FY 2016-17 School Aid Fund Balance Sheet

	FY 2016-17	FY 2017-18
BEGINNING BALANCE	\$168.2	\$143.5
REVENUE		
School Aid Fund (SAF) Revenue	\$12,457.0	\$12,783.1
HMO Use Tax	\$52.6	\$0.0
General Fund/General Purpose (GF/GP)	\$218.9	\$57.4
Community District Education Trust Fund (DPS)	\$72.0	\$72.0
<u>Federal Funds</u>	<u>\$1,818.6</u>	<u>\$1,818.6</u>
TOTAL REVENUE	\$14,619.1	\$14,731.1
EXPENDITURES		
School Aid (FY17 Enacted/FY18 Baseline)	\$14,146.3	\$14,135.7
<u>Higher Ed/Community Colleges</u>	<u>\$497.5</u>	<u>\$498.2</u>
TOTAL EXPENDITURES	\$14,643.8	\$14,633.9
CURRENT YEAR: REVENUES - EXPENDITURES	(\$24.7)	\$97.2
TOTAL ENDING BALANCE	\$143.5	\$240.7

16 House Fiscal Agency
January 2017

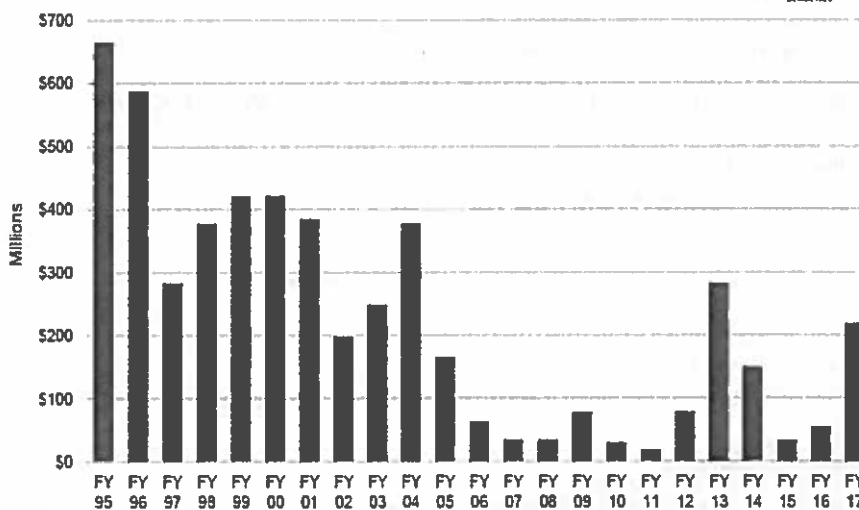
CREC Balance Sheet assumed less GF/GP

FY 2016-17 Through FY 2018-19 Executive Recommendation School Aid Fund (SAF) Millions of Dollars			
REVIEW AND ANALYSIS OF FY 2017-18 EXECUTIVE RECOMMENDATION HOUSE FISCAL AGENCY: FEBRUARY 2017	FY 2016-17	FY 2017-18	FY 2018-19
Resources			
Beginning balance	\$168.1	\$143.4	\$7.6
Consensus Revenue Estimates: January 2017	12,457.0	12,783.1	13,131.5
Use tax on Medicaid MCOs (SAF portion: discontinued 1/1/17)	52.6	0.0	0.0
GF/GP grant	218.9	215.0	145.0
Detroit Public Schools Trust Fund	72.0	72.0	72.0
Federal funds	1,730.7	1,726.9	1,726.9
Total Resources	\$14,699.3	\$14,940.4	\$15,083.0
Expenditures			
School Aid ongoing recommendations	\$14,119.8	\$14,202.4	\$14,204.3
School Aid one-time recommendations	42.0	99.7	97.9
Pending supplemental requests	(103.4)	0.0	0.0
Community College recommendations	280.4	305.1	403.4
Higher Education recommendations	237.1	235.6	238.5
Total Expenditures	\$14,665.9	\$14,932.8	\$14,944.1
Estimated Ending Balance	\$143.4	\$7.6	\$138.9

GF/GP = (\$74) million; CC/Univ = \$144

GF/GP as a Fund Source in the School Aid Budget

The School Aid budget has \$218.9 million GF/GP appropriated in FY 2016-17. Of that total \$42.0 million is reimbursement to the School Aid Fund for the 2014 personal property tax (PPT) reform.





Michigan School Business Officials

MSBO ACTIVITIES

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MSBO Activities

ANNUAL CONFERENCE

May 2 – 4, 2017

MSBO Annual Conference & Exhibit Show

Amway Grand Plaza Hotel and DeVos Place, Grand Rapids

FINANCIAL STATEMENT PREPARATION WORKSHOP

June 6, 2017

Kellogg Center, East Lansing

8:45 AM – 4:00 PM

BUSINESS MANAGER/CPA WORKSHOP

June 7, 2017

Kellogg Center, East Lansing

7:30 AM – 8:40 AM Early Bird Session; 9:00 AM – 4:00 PM Main Session



SCHOOL FINANCE
RESEARCH COLLABORATIVE



Bob Moore, Project Director
Judy Wright, Consulting Partner, Plante Moran
Matt Lindner, Sr Manager, Plante Moran

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About the School Finance Research Collaborative

- A generous grant provided by the W.K. Kellogg Foundation will help us build upon the findings of the Michigan Education Finance Study and give us a truly comprehensive look at school financing.
- Once accurate and comprehensive data is available, the Collaborative will work to communicate this critical information to Michigan policymakers, stakeholders and the public at large.
- The goal is to use data to make recommendations to lawmakers on how schools are funded to provide a top-notch education for every student in Michigan.



Michigan School Business Officials

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