

The background features the Michigan Department of Education logo, which includes a silhouette of the state of Michigan and the text "MICHIGAN Department of Education" in a serif font. The text is partially obscured by the main title.

ESSER FUNDS UPDATE

January 19, 2022 UPDATE MSBO

Kevin Walters

Michigan Department of Education



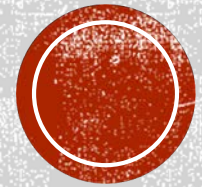
Name of Grant	ESSER I	ESSER II	ARP ESSER III	Section 11t
Expenditure Period Start	March 13, 2020	March 13, 2020	March 13, 2020	March 13, 2020
Expenditure Period End	September 30, 2021	September 30, 2022	September 30, 2023	September 30, 2023
Tydings Amendment End	September 30, 2022	September 30, 2023	September 30, 2024	September 30, 2024
Liquidation Period End	December 30, 2022	December 30, 2023	December 30, 2024	December 30, 2024
Application Deadline	N/A	N/A	December 15, 2021 / February 15, 2022	TBD (90 days after application opens)

Tydings Amendment Period date is the last date to obligate funds for each specific grant

ARP ESSER III: February 15, 2022, deadline for those that checked box requesting more time

TIMELINES FOR ESSER FORMULA FUNDS

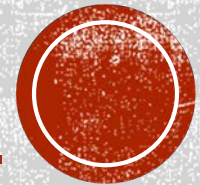
NOTE: Section 11t application is under development and deadline to submit will be determined upon opening of application in MEGS+

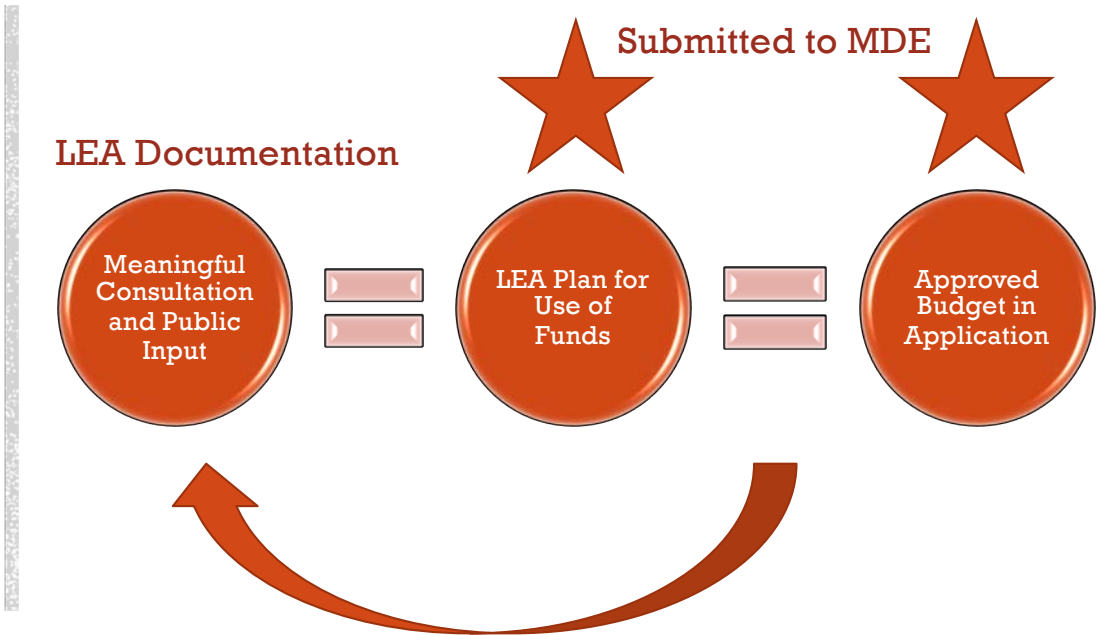


ESSER I Formula:	92.4% Funds Drawn (September 30, 2022, deadline to obligate)
ESSER I Equity:	74.3% Funds Drawn (September 30, 2022, deadline to obligate)
GEER I:	89.1% Funds Drawn (September 30, 2022, deadline to obligate)
ESSER II Formula:	20.3% Funds Drawn (September 30, 2023, deadline to obligate)
Section 23b S.S:	20.1% Funds Drawn (September 30, 2023, deadline to obligate)
Section 23b C.R:	14.2% Funds Drawn (September 30, 2023, deadline to obligate)
Section 23b B/A:	5.9% Funds Drawn (September 30, 2023, deadline to obligate)
Section 23c Stipend:	33.2% Funds Drawn (September 8, 2021, deadline to obligate) *** ISSUE HERE
ARP ESSER III Formula:	Two-Step Review Process (Narrative approval prior to Budget Review) Nearly 30% of LEA/PSA submissions requested more time (February 15 deadline) September 30, 2024, to obligate funds

CURRENT STATUS OF ESSER FORMULA FUNDS

- **Data as of January 14, 2022**
- **Section 23b and 23c has been rescinded. That DOES NOT impact ability to spend funds in Summer 2022 (23b ONLY). 23c should be in hands of eligible staff by now**







Program Area	ESSER III Formula Funds	ESSER III Discretionary Funds State: PA 48, 11t - Equalization Funds
Timeline - 90 days to submit	Sept. 15, 2021 - Dec. 15, 2021* MUST submit by the due date or risk eligibility.	Application coming Due 90 days after application opens
Purpose	Prevent, prepare for, address the impact of the pandemic	
Target Populations	Needs of all students, particularly the needs of designated students disproportionately affected by pandemic	Needs of designated student populations** only
Meaningful Consultation in Development of LEA Plan Needs → Plans → Funds approach Ensure access and opportunity Engage in ongoing, two-way communication Strive for consensus	Engage in (and document) meaningful consultation with stakeholders*** and give the public an opportunity to provide input in the development of the LEA's plan (before decisions are made). Consider the lens of all students and LEA's designated student populations. (Requirement met for <i>Return to In-Person Instruction Plan/Continuity of Learning Plan</i>)	
LEA PLAN COMPONENTS - LEA Plan must be accessible and available to stakeholders		
Return to In-Person Instruction Plan	LEA's <i>Continuity of Learning Plan</i> meets this requirement. Requirement for <i>meaningful consultation in developing this plan</i> is also considered met. LEA must update the <i>CoL Plan</i> within 6 months.	
LEA Plan for Use of Funds Dropdown options: Need, Implement, Support, Track, Monitor	Requires <i>meaningful consultation</i> with stakeholders and opportunity for public input.	
	<i>ESSER III Plan for Use of Funds -- *does NOT need to be complete before the initial submission of the app</i>	<i>11t Plan for Use of Funds</i> is a separate plan
Required Set Asides	Min. of 20% to address learning loss	Min. 51.4% to address learning loss Min. 10.3% for summer programming Min. 10.3% for after school programming
Allowable Uses of Funds	Sec. 2001(e) LEA Allowable Uses of Funds	
LEA Maintenance of Equity (unless LEA is exempt****)	Maintain equity of per pupil spending & staffing in high poverty schools for FY22 & FY23 (MDE Worksheet pending - Calculate Baseline Data: FY20, use student membership data/FTE -- per USED)	

ESSER III LEA Planning - Sample Timeline

Program Component	Submit Initial App By Dec. 15	Within next 30 - 60 days	By end of the year
<i>Return to In-Person Instruction Plan</i> • Meaningful Consultation	NA Both Requirements met by <i>Continuity of Learning Plan</i>	• Update COL Plan within 6 months, as appropriate	
<i>LEA Plan for Use of Funds</i> • Meaningful consultation <i>Incorporate planning into district's continuous improvement process</i>	<ul style="list-style-type: none"> • Assess Needs of all students and special populations • Initiate meaningful consultation with internal & external stakeholders by taking at least one step, such as: <ul style="list-style-type: none"> ○ Establish a consultation plan ○ Share data summaries or data stories from needs assessment with stakeholder groups ○ Gather input by conducting a survey(s), focus group(s), planning meeting(s) with stakeholder group(s) to inform needs assessment and planning 	<ul style="list-style-type: none"> • Continue consultation with stakeholder groups • Compile input from stakeholders <ul style="list-style-type: none"> ○ Share summary with stakeholders; respond to questions • Develop draft plan/budget to address current needs and needs for the remainder of the year <ul style="list-style-type: none"> ○ Share with stakeholders & public for feedback • Amend plan/budget, as needed 	<ul style="list-style-type: none"> • Provide updates to stakeholders and the public on status of plan implementation and interim results • Monitor implementation and results • Gather input/feedback to inform year 2 and year 3 of the plan • Amend the plan/budget, as needed
Maintenance of Equity	<ul style="list-style-type: none"> • Determine if LEA is required to • Review MDE memo; share in district as appropriate 	<ul style="list-style-type: none"> • Calculate baseline data (FY21): per pupil spending and per pupil staffing • Run calculations for FY22, based on current staffing and budget 	<ul style="list-style-type: none"> • Run MoEq calculations periodically to check for red flags; adjust plan and budget, as needed



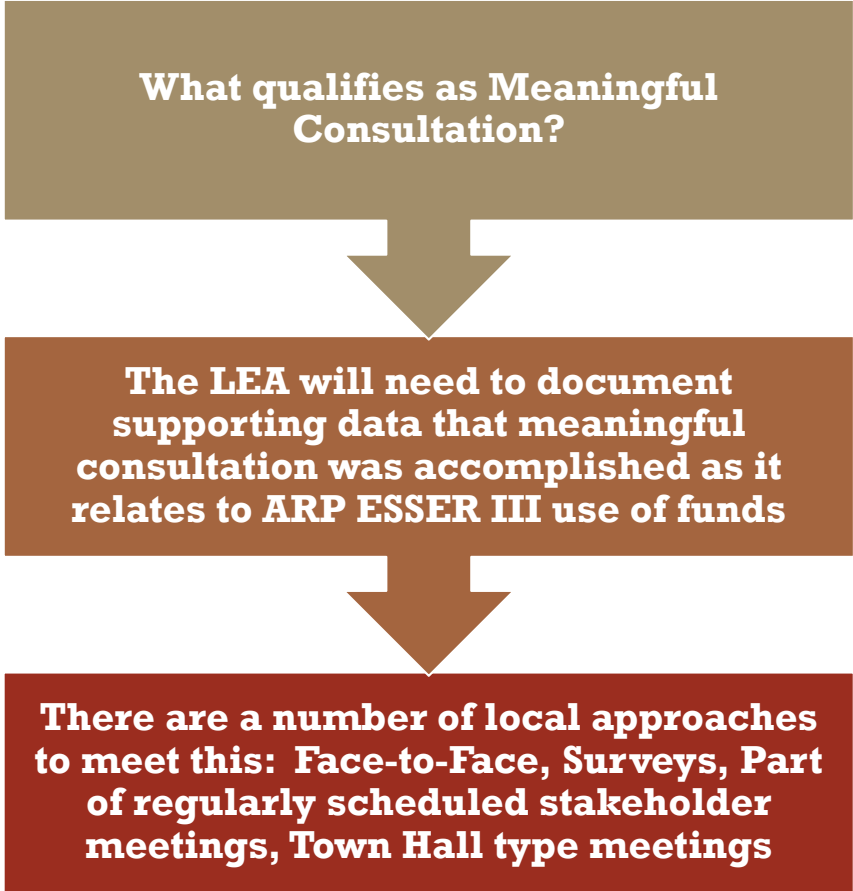
LEA Plan for Use of ARP ESSER Funds Meaningful Consultation with Stakeholders

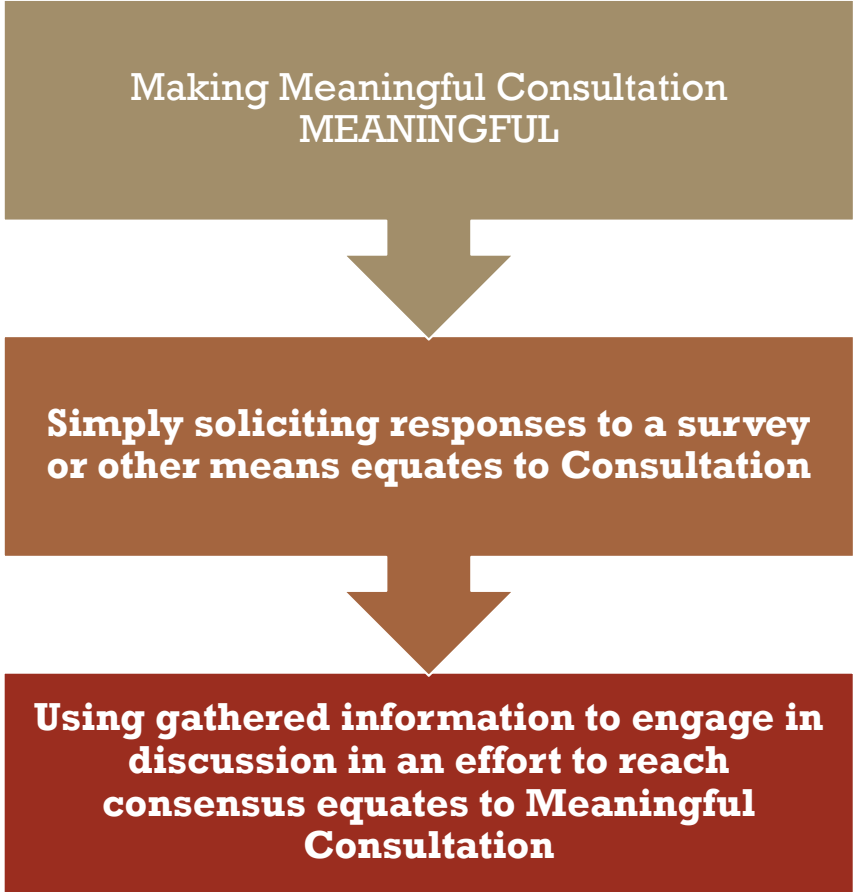
Under this requirement, an LEA must engage in meaningful consultation with stakeholders and give the public an opportunity to provide input in the development of its plan. Specifically, an LEA must engage in meaningful consultation with students; families; school and district administrators (including special education administrators); and teachers, principals, school leaders, other educators, school staff, and their unions. Additionally, an LEA must engage in meaningful consultation with each of the following, to the extent present in or served by the LEA: Tribes; civil rights organizations (including disability rights organizations); and stakeholders representing the interests of children with disabilities, English learners, children experiencing homelessness, children in foster care, migratory students, children who are incarcerated, and other underserved students.

This requirement remains for the *LEA Plan for Use of Funds*. It is not considered met based on previous submissions of COVID Learning Plans to CEPI

A separate LEA Plan for Use of Funds is required specific to Section 11t funds







LEA PLAN OF USE NARRATIVE

Each LEA must submit a LEA Plan of Use Narrative. If the LEA has not yet been able to complete their LEA Plan of Use Narrative, they should indicate so by checking the checkbox below and leaving the narrative questions blank. Once the LEA Plan of Use Narrative has been completed the LEA should amend the application and include the narrative content below and remove the check from the checkbox and resubmit the application.



- The LEA Plan of Use Narrative is currently in progress and not ready for submission. The LEA agrees to amend their application at the time the Plan of Use Narrative is complete.

Please describe the extent to which and how the funds will be used to implement prevention and mitigation strategies that are, to the greatest extent practicable, consistent with the most recent CDC guidance on reopening schools, in order to continuously and safely open and operate schools for in-person learning:

0 of 1500

Please describe how the LEA will use the funds it reserves under section 2001(e)(1) of the ARP Act (see below) to address the academic impact of lost instructional time through the implementation of evidence-based interventions, such as summer learning or summer enrichment, extended day, comprehensive afterschool programs, or extended school year:

0 of 1500

Please describe how the LEA will spend its remaining ARP ESSER funds consistent with section 2001(e)(2) of the ARP Act.

0 of 1500

Please describe how the LEA will ensure that the interventions it implements, including but not limited to the interventions implemented under section 2001(e)(1) of the ARP Act (see below) to address the academic impact of lost instructional time, will respond to the academic, social, emotional, and mental health needs of all students, and particularly those students disproportionately impacted by the COVID-19 pandemic, including students from low-income families, students of color, English learners, children with disabilities, students experiencing homelessness, children in foster care, and migratory students.

0 of 1500

[GUIDANCE FOR COVID-19 PREVENTION IN K-12 SCHOOLS | CDC](#)

[ED COVID-19 HANDBOOK, VOLUME 2 \(PDF\)](#)

[ESSER.GEER .FAQS 5.26.21](#)

[ED COVID-19 HANDBOOK, VOLUME 2 \(PDF\)](#)





If you requested more time.....

- LEA Plan for Use of Funds must be submitted by February 15, 2022. The budget does not need to be complete to submit.

Why February 15.....

- MDE must post any/all LEA Plan for Use of Funds for all eligible entities by March 1, 2022.

Why is LEA Plan important?

- The LEA Plan for Use of Funds must be developed based on “meaningful” consultation with local stakeholders and public input **BEFORE** submission.

Review Process is Two-Step at MDE

- LEA Plan for Use of Funds and Program Description Narratives are reviewed **FIRST**. When approved, they are moved to budget review. **MUST BE ALIGNED** to gain approval

ESSER III REQUIRED MAINTENANCE OF EQUITY

What is Maintenance of Equity?

- SEA must ensure that any cuts to state funding in FY22 and FY23 for “high-need” school districts are less than the overall reduction in state funding across all districts in the state, on a per-student basis. High-need districts are defined as the districts with the highest percentages of economically disadvantaged students that collectively serve 50% of the state’s students
- SEA must ensure that “high-poverty” school districts receive at least as much state funding in FY22 and FY23 as in FY19, on a per-student basis. High-poverty districts are districts with the highest percentages of economically disadvantaged students that collectively serve 20% of the state’s students
- LEA must ensure they do not reduce funding or staff in any high-poverty school in a manner that exceeds the total reduction in district funding or staff (f) or all schools, on a per-student basis. A high poverty school is defined as a school that is in the top 25% of schools in the district based on the percentage of economically disadvantaged students.
- **Districts are exempt** from this requirement if they:
 - *Have fewer than 1,000 students (Please note that USED has not determined whether Michigan can use Pupil Count or Membership)*
 - *Operate a single school*
 - *Serve all students in each grade span in a single school (Example: 1 K-5 school / 1 6-8 school / 1 9-12 school or 1 K-8 school / 1 9-12 school or 1 K-6 school / 1 7-8 school / 1 9-12 school)*
 - *Demonstrate an exceptional or uncontrollable circumstance as determined by the Department of Education (USED)*
- *An LEA only needs to meet one of the above-listed items to be exempt from the Maintenance of Equity requirement*



ESSER III REQUIRED MAINTENANCE OF EQUITY

- New guidance released by USED on December 29, 2021
 - [Maintenance-of-Equity-updated-FAQs 12.29.21 Final.pdf](#)
 - December 29 update ONLY addresses Question 32 (page 21)
 - Specifies baseline year as 2020-2021 and updates “exceptional or uncontrollable circumstances”

For FY 2022 MOEquity determinations, the Department recognizes that LEAs may face certain implementation challenges due to the enactment of the ARP Act in March 2021—when LEA budgeting was well underway in many places—and the impact of the pandemic, which has resulted in significant ongoing uncertainty about school-level enrollment for the 2021-2022 school year. Given such unique timing and implementation challenges due to the pandemic, the Department has determined that these circumstances are an example of “exceptional or uncontrollable circumstances” that justify a limited exception to the local MOEquity requirements for the 2021-2022 school year. Therefore, an LEA experiencing these circumstances may demonstrate that it is excepted from the MOEquity requirements for FY 2022 by certifying that it did not and will not implement an aggregate reduction in combined State and local per-pupil funding in FY 2022 (i.e., is not facing overall budget reductions). Please see Appendix B for a template certification form.



ESSER III REQUIRED MAINTENANCE OF EQUITY

- New guidance released by USED on December 29, 2021
 - [Maintenance-of-Equity-updated-FAQs 12.29.21 Final.pdf](#)

Upon gathering further information from States and LEAs, the Department understands that many localities are still facing fluctuating school enrollments and uncertain revenue collection as a result of the pandemic, particularly tax levies or other local resources that are established well in advance of the 2022-2023 school year. Given such challenges due to the pandemic, the Department has determined that these circumstances continue to be an example of “exceptional or uncontrollable circumstances” that justify a limited exception to the local MOEquity requirements for the 2022-2023 school year in instances in which there is no aggregate reduction in combined State and local per pupil funding in FY 2023 in the LEA. Therefore, an LEA experiencing these circumstances may demonstrate that it is excepted from the MOEquity requirements if it certifies that it will not implement an aggregate reduction in combined State and local per-pupil funding in FY 2023 (i.e., is not facing overall budget reductions). Please see Appendix B for a template certification form.



ESSER III REQUIRED MAINTENANCE OF EQUITY

- New guidance released by USED on December 29, 2021
 - [Maintenance-of-Equity-updated-FAQs 12.29.21 Final.pdf](#)

The Department otherwise anticipates few “exceptional or uncontrollable circumstances” that prevent an LEA from maintaining equity. As a result, each claim of exception will require a case-by-case review by the Department. For example, an “exceptional or uncontrollable circumstance” might include increased one-time expenditures in the baseline year (school year 2020-2021) due to the pandemic; a very small school where the MOEquity calculations do not result in meaningful information about resource availability; or a significant change in the expenses of a school that no longer serves a student whose educational and support needs required services that have a particularly high cost.



ESSER III REQUIRED MAINTENANCE OF EQUITY

American Rescue Plan LEA Certification of Exception from Local Maintenance of Equity Requirements

Please submit this certification to your SEA, which will notify the Department which LEAs in the State are exempted from the local maintenance of equity requirements under section 2004(c)(2) of the American Rescue Plan (ARP) Act due to such certifications for FY 2022, FY 2023, or both FYs 2022 and 2023.

LEA name: _____
State: _____

On behalf of my local educational agency (LEA), I _____ (name),
_____ (title), certify that for the:

- 2021-2022 school year (FY 2022)
- 2022-2023 school year (FY 2023)

this LEA demonstrates an exceptional or uncontrollable circumstance under section 2004(c)(2) of the ARP Act. Specifically, this LEA faces implementation challenges due to the enactment of the ARP Act in March 2021 and the impact of the pandemic with respect to budget and enrollment uncertainty. The LEA certifies it will not implement an aggregate reduction in combined State and local per-pupil funding for the relevant fiscal year(s).

By signing this certification, I hereby confirm that I am the authorized representative, with the fiscal and legal authority, to certify on behalf of this school district. In addition, to the best of my knowledge and belief, all the information in this certification is true and correct.

Signature

Printed name & date



**ESSER III
REQUIRED
MAINTENANCE
OF EQUITY
MDE ACTIONS**

- MDE published listing of LEAs/PSAs that are required to meet MOEQ based solely on pupil enrollment at [lea listing moeq 2021.csv \(michigan.gov\)](#)
- MDE will remove exemptions for one school or single grade level and send GEMS/MARS application ONLY to those LEAs/PSAs remaining that must meet MOEQ
- Application will include requirement for LEA/PSA to identify the following information:
 - LEA/PSA Cover Page information
 - Method used by LEA/PSA to determine High Poverty Schools (Rank Order or Grade Level)
 - Listing of High Poverty Schools
 - Whether LEA/PSA is claiming Exceptional or Uncontrollable Circumstance”
 - Appendix B (MOEQ) to certify request for Exceptional or Uncontrollable Circumstance
 - Certification/Assurance of Information provided
 - Submission Button
- MDE is required to publish the names of any/all identified High Poverty Schools by March 31, 2022
- Application in GEMS/MARS will open February 15 with a March 15 deadline to submit



An LEA determines its high-poverty schools using the following procedures. An LEA may elect, consistent with the statute and as shown in the following examples, to make the determination on a districtwide basis or by grade span. (See sections 2004(c)(1)(A) and (c)(2)(C) of the ARP Act.)² In deciding which option to use to identify its high-poverty schools, an LEA might consider factors such as the total number of high-poverty students impacted, relative concentrations of poverty in schools that would be identified compared to those that would not, and whether using grade spans would capture high schools if they would not otherwise be captured.

1. Rank each school in the LEA by its percentage of economically disadvantaged students, from highest percentage to lowest percentage, in each fiscal year. An LEA may rank its schools within the LEA as a whole or within each grade span — e.g., K-5, 6-8, 9-12. See Table 4 below for an example of how an LEA might rank all schools in the LEA as a whole and Table 5 for an example of how an LEA might rank its schools by grade span.
2. Divide the total number of schools in the LEA by 4 to determine the number of schools in the highest quartile. If the result of the division is not a whole number, always round up to the nearest whole number (e.g., in Table 4, 9 schools divided by 4 equals 2.25 schools, so 2.25 is rounded up to 3 schools). This is the number of schools the LEA must identify as high-poverty schools.
3. Identify the highest-poverty quartile of schools (the number of schools identified in step 2) in the LEA as high-poverty schools. If the LEA ranks by grade span, an LEA may first select the high-poverty school in rank order from each grade span. If an LEA needs to identify additional high-poverty schools, then an LEA has discretion so long as the LEA selects in rank order based on the percentage of economically disadvantaged students. For example, an LEA may continue down the list from highest to lowest within each grade span or continue to select schools with the highest percentage of economically disadvantaged students in one or more grade spans. (See Table 5.)

METHODS OF DETERMINING HIGH POVERTY SCHOOLS

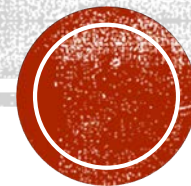


Table 4. Identifying high-poverty schools in an LEA as a whole (in a sample LEA with nine schools)*

School	Percentage of Economically Disadvantaged Students	Grade Span	High-Poverty School?
School A	80%	Elementary	Yes
School B	75%	Elementary	Yes
School C	65%	Elementary	Yes
School G	60%	Middle	No
School I	40%	High	No
School D	35%	Elementary	No
School E	25%	Elementary	No
School H	25%	Middle	No
School F	15%	Elementary	No

* The LEA in this example must identify three high-poverty schools.

**IDENTIFY
USING LEA
RANK
ORDER**

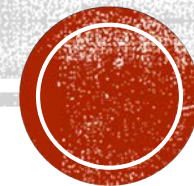
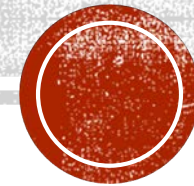


Table 5. Identifying high-poverty schools by grade span in an LEA (in a sample LEA with nine schools)*

School	Percentage of Economically Disadvantaged Students	Elementary Grade Span	Middle Grade Span	High School Grade Span	High-Poverty School
School A	80%	X			Yes
School B	75%	X			No
School C	65%	X			No
School D	35%	X			No
School E	25%	X			No
School F	15%	X			No
School G	60%		X		Yes
School H	25%		X		No
School I	40%			X	Yes

* The LEA must identify three high-poverty schools.

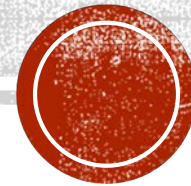
IDENTIFY USING LEA BY GRADE SPAN



When determining whether it maintained fiscal equity, an LEA includes all sources of State and local funds the LEA has available for current expenditures for free public education. (See section 8101(12) of the ESEA.) Current expenditures *do not include* dedicated funds for capital outlays and debt service. Moreover, local fiscal maintenance of equity considers the use of local and State funding sources only. Therefore, an LEA may not include Federal funds or support from private donors, such as charitable contributions that corporations or individuals make to elementary and secondary education.

The LEA must use consistent funding sources from year to year and document its sources of data. These data should be consistent with sources of State and local funding that an LEA uses to report for the purposes of per-pupil expenditures in section 1111(h)(1)(C)(x) of the ESEA.

DETERMINING PER PUPIL FUNDING

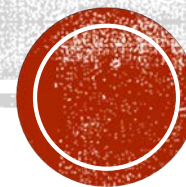


(12) CURRENT EXPENDITURES.—The term “current expenditures” means expenditures for free public education—

(A) including expenditures for administration, instruction, attendance and health services, pupil transportation services, operation and maintenance of plant, fixed charges, and net expenditures to cover deficits for food services and student body activities; but

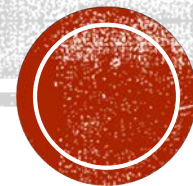
(B) not including expenditures for community services, capital outlay, and debt service, or any expenditures made from funds received under title I.

DETERMINING PER PUPIL FUNDING



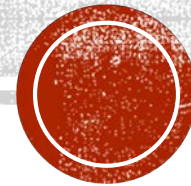
[Per Pupil Expenditures: Michigan - Office of Elementary and Secondary Education](#)

DETERMINING DISTRICT PER PUPIL FUNDING



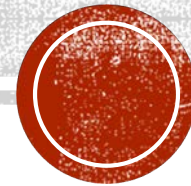
District:	TRAVERSE CITY AREA PUBLIC SCHOOLS
NCES School ID:	263387000001
School:	EAST MIDDLE SCHOOL
Street Address:	1776 3 MILE RD N
City:	TRAVERSE CITY
Zip Code:	49686
Grade Level:	Middle
Title I Status:	Not a Title I school
PPE for School Share from Combined State/Local Sources:	\$7,605.00
PPE for District Share from Combined State/Local Sources:	\$2,554.00
PPE for School Share from Federal Sources:	\$1.00
PPE for District Share from Federal Sources:	\$355.00
Total PPE:	\$10,515.00
Students:	849
Teachers:	41.00

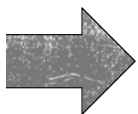
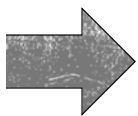
DETERMINING DISTRICT PER PUPIL FUNDING BY SCHOOL



District: LANSING PUBLIC SCHOOL DISTRICT
NCES School ID: 262115001866
School: RIDDLE ELEMENTARY
Street Address: 221 HURON ST
City: LANSING
Zip Code: 48915
Grade Level: Elementary
Title I Status: Title I schoolwide school
PPE for School Share from Combined State/Local Sources: \$13,214.00
PPE for District Share from Combined State/Local Sources: \$3,773.00
PPE for School Share from Federal Sources: \$1,656.00
PPE for District Share from Federal Sources: \$1,943.00
Total PPE: \$20,587.00
Students: 163
Teachers: 15.00

DETERMINING DISTRICT PER PUPIL FUNDING BY SCHOOL





Per-pupil Reduction in State and Local Funds across All Schools in the LEA	High-poverty School 1 Per-pupil Reduction	High-poverty School 2 Per-pupil Reduction	High-poverty School 3 Per-pupil Reduction
\$0	FY21 Per-Pupil Amount: \$23,000 FY22 Per-Pupil Amount: \$23,000 Per-Pupil Reduction: \$0	FY21 Per-Pupil Amount: \$24,050 FY22 Per-Pupil Amount: \$24,000 Per-Pupil Reduction: \$50	FY21 Per-Pupil Amount: \$25,050 FY22 Per-Pupil Amount: \$25,000 Per-Pupil Reduction: \$50
\$50	FY21 Per-Pupil Amount: \$25,150 FY22 Per-Pupil Amount: \$25,000 Per-Pupil Reduction: \$150	FY21 Per-Pupil Amount: \$26,150 FY22 Per-Pupil Amount: \$26,050 Per-Pupil Reduction: \$100	FY21 Per-Pupil Amount: \$27,150 FY22 Per-Pupil Amount: \$27,100 Per-Pupil Reduction: \$50
\$100	FY21 Per-Pupil Amount: \$20,000 FY22 Per-Pupil Amount: \$19,900 Per-Pupil Reduction: \$100	FY21 Per-Pupil Amount: \$19,000 FY22 Per-Pupil Amount: \$18,900 Per-Pupil Reduction: \$100	FY21 Per-Pupil Amount: \$22,000 FY22 Per-Pupil Amount: \$21,925 Per-Pupil Reduction: \$75

THREE EXAMPLES FY21 TO FY22

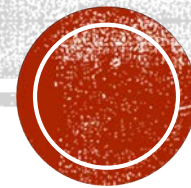


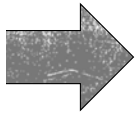
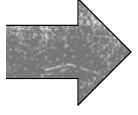
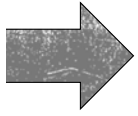
Under section 2004(c)(1)(B) of the ARP Act, an LEA must maintain staffing equity in any high-poverty school. Each LEA must include all paid staff, both instructional and non-instructional when determining whether it maintained staffing equity on an FTE basis. This would include all employees and those hired by contract who perform school-level services.

An LEA includes staff who split their time between more than one school building in the LEA. For example, if a districtwide literacy coach supports teachers in two different schools, the LEA must include the proportional FTE for each school.

To ensure that an LEA is supporting its high-poverty schools with at least the same level of instructional staff on an FTE basis compared to other schools in the LEA, each LEA is encouraged to determine whether it maintained equity of instructional staff. An LEA is also encouraged to consider equity in terms of its overall staffing budget, which may include considering the qualifications and level of experience of staff in its high-poverty schools compared to other schools.

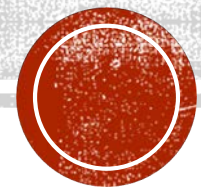
DETERMINING PER PUPIL STAFF RATIO





Per-pupil FTE Reduction across All Schools in the LEA	High-poverty School 1 Per-pupil FTE Reduction	High-poverty School 2 Per-pupil FTE Reduction	High-poverty School 3 Per-pupil FTE Reduction
0	FY21 FTEs Per-Pupil: .50 FY22 FTEs Per-Pupil: .50 Per-Pupil Reduction: 0	FY21 FTEs Per-Pupil: .075 FY22 FTEs Per-Pupil: .050 Per-Pupil Reduction: .025	FY21 FTEs Per-Pupil: .050 FY22 FTEs Per-Pupil: .040 Per-Pupil Reduction: .01
.05	FY21 FTEs Per-Pupil: .075 FY22 FTEs Per-Pupil: .015 Per-Pupil Reduction: .06	FY21 FTEs Per-Pupil: .15 FY22 FTEs Per-Pupil: .05 Per-Pupil Reduction: .10	FY21 FTEs Per-Pupil: .05 FY22 FTEs Per-Pupil: .045 Per-Pupil Reduction: .005
.05	FY21 FTEs Per-Pupil: .30 FY22 FTEs Per-Pupil: .25 Per-Pupil Reduction: .05	FY21 FTEs Per-Pupil: .40 FY22 FTEs Per-Pupil: .36 Per-Pupil Reduction: .04	FY21 FTEs Per-Pupil: .20 FY22 FTEs Per-Pupil: .16 Per-Pupil Reduction: .04

THREE EXAMPLES FY21 TO FY22



Financial Accounting Guidance During the COVID-19 Pandemic

http://www.michigan.gov/documents/mde/COVID-19_Accounting_Guidance_691616_7.pdf

- Recently updated to include:
 - Emergency Connectivity Fund (ECF) accounting
 - New Fall 2021 Child Care Relief
 - Accounting for new school nutrition funds (Emergency Operations, Seamless Summer Option, Pandemic EBT Local Costs, etc.)
 - Revenue recognition/reclassifying expenditures
 - ARP and IDEA ARP coding
- Updates will continue as additional guidance is needed on new and existing funding sources, unique accounting situations, etc.



Emergency Connectivity Funds (ECF)

- CFDA/ALN 32.009
- Similar to “traditional E-Rate”, but separate federal “grant” **subject to Single Audit** (unlike E-Rate’s “rebates” netted with expenditures)
- Revenue: Major Class 419 (federal revenue received from non-governmental entity – USAC), Suffix 0000
- Expenditures: Grant Code 440



Fall 2021 Child Care Relief Funds (Child Care Sustainability Grant)

- Additional funding through the American Rescue Plan (ARP)
- Payments beginning week of January 10th, 2022
- Additional awards expected in March 2022 if reporting requirements are met

- Revenue: Major Class 414, Suffix 0250
- Expenditures: Grant Code 701

- Questions: MDE Office of Child Development and Care:
866-990-3227 x2, or Great Start to Quality Resource Center:
877-614-7328



Pandemic EBT (P-EBT) Local Costs Grant

- CFDA/ALN 10.649
- Revenue should be recognized in the Fund that incurred the most expenses from administering P-EBT in FY21 (includes allowability to record in General Fund): Major Class 414, Suffix 0110
- Expenditures should match revenue reported, may require “net-zero reclassifying entries” described in Revenue and Expenditure Recognition Considerations section of guidance. Grant Code 664
- Questions: MDE Office of Health and Nutrition Services, Fiscal and Administrative Unit – MDE-Fiscal@michigan.gov.



Food Service Grant Coding & Other Info

CFDA#	MDE Grant/Program ID#	CMS/NEXSYS/SAMS Grant Name	Accounting Manual Grant Code	Date Range	Notes
10.559	210900	SFSP Operating	858X	October 1, 2020-September 30, 2021	First day of SFSP service through the last day of SFSP service before the new school year starts
10.559	210904	SFSP Operating	858X	October 1, 2020-September 30, 2021	First day of SFSP service through the last day of SFSP service before the new school year starts, along with Extended SFSP during SY20-21
10.558	211925	Emergency Operations - CACFP Meals	853X	July 1, 2021 - June 30, 2022	For Sponsors that receive an Emergency Operating Costs CACFP Reimbursement Payment
10.555	211965	Emergency Operations - SNP Meals	851X	July 1, 2021 - June 30, 2022	For Sponsors that receive an Emergency Operating Costs School Nutrition Program (SNP) Reimbursement Payment
10.558	211920	CACFP Meals	853X	October 1, 2020-September 30, 2021	For Sponsors that participate in the Child and Adult Care Food Program for SY21-22
10.558	221920	CACFP Meals	853X	October 1, 2021 - September 30, 2022	For Sponsors that participate in the Child and Adult Care Food Program for SY21-22
10.558	212010	CACFP - Cash in lieu	853X	October 1, 2020-September 30, 2021	For Sponsors that participate in the Child and Adult Care Food Program Cash in lieu for SY21-22
10.558	222010	CACFP - Cash in lieu	853X	October 1, 2021 - September 30, 2022	For Sponsors that participate in the Child and Adult Care Food Program Cash in lieu for SY21-22
10.555	211961	Seamless Summer Option (SSO) - Lunch	851X	July 1, 2021 - September 30, 2022	For Sponsors that choose to participate under the Seamless Summer Option for NSLP and SBP for SY21-22.



[https://www.michigan.gov/documents/mde/Food Service Fund Grant Coding SY 21-22 Posting Version 742165 7.xlsx](https://www.michigan.gov/documents/mde/Food_Service_Fund_Grant_Coding_SY_21-22_Posting_Version_742165_7.xlsx)

Reclassifying Expenditures

- **The Grant Code of a given funding source should not be used when recording expenditures until that revenue can be recognized.**
- Additional accounting entries required when revenue cannot be recognized in the same fiscal year as eligible expenditures may be incurred.
- Example: CRF expenditure period goes back to March 1, 2020 but revenue could not have been recognized in FY20
- This may also apply to other funding sources with similar revenue recognition/expenditure period “disconnects”
 - **Section 23b Summer School/Credit Recovery**
 - FY21 expenditures but no revenue until FY22
 - **Section 11r(4) ESSER (II) Per-Pupil Equalization**
 - Could cover both FY20 & FY21 exp., but FY22 revenue



Reclassifying Expenditures (cont.)

- Example: Reclassification of FY20 expenditures of Coronavirus Relief Funds (CRF) funds not yet assigned to Grant Code
 - Net zero expenditure entry to reclassify prior year expenditures to another funding source
 - \$10,000 of teacher salaries covered by CRF funding as example
 - Debit 11-113-1240-**7990** **\$10,000**
 - Credit 11-113-1240-**0000** **\$10,000**
- Reclassifies expenditures to CRF in FY21 without inflating totals while showing CRF expenditures in one fiscal year only (prevents double counting)



Resources

[Financial Accounting Guidance During the COVID-19 Pandemic](#)

[Michigan Public School Accounting Manual](#)

- Chart of Accounts (Appendix) and other guidance
- Change Notices

[Accounting for State School Aid Revenues](#)

- Recently updated with new FY22 categoricals

[Program Allocations](#)

- All federal program allocations (incl. ESSER, GEER, etc.)



Contact Information

Christopher May

Financial Specialist

Office of Financial Management, State Aid & School Finance

517-281-3223 (cell)

MayC@michigan.gov

ESSER and other grant-related questions (applications, budgets, eligibility, district status, etc.)

MDE-CARES@michigan.gov

Kevin Walters

Supervisor, Grants Contracts & School Support

Office of Financial Management

517-335-0543 (office) or 810-728-5254 (cell)

waltersk5@michigan.gov

