

# 2023-24 School Aid Budget

MSBO School Finance Committee

November 17, 2023

Phil Boone

Michigan Department of Education



# Total Appropriation

- Federal funds: \$2.2 billion
- State funds: \$19.3 billion
- Total appropriation: \$21.5 billion
  
- FY 2023 total appropriation: \$20.1 billion
  
- House Fiscal tracked 149 “Major Budget Changes”



# Foundation

- \$601 million increase
- FY23 Target Foundation increases \$458 from \$9,150 to \$9,608
- Cyber Foundation remains at \$9,150



# Section 31a At-Risk

- \$204 million increase
- Districts are sorted into Opportunity Index Bands based upon percentage of membership that is economically disadvantaged
- Districts are meant to receive 35% - 47% of Foundation per-pupil
- After proration payments will range from 11.5% - 15.3%



# Special Education Funding

- \$64 million increase
- Section 51a continues to pay out at 28%/70%
- Section 51e will pay out a full \$9,608 Foundation per pupil



# Universal School Meals

- NEW Section 30d provides \$160 million SA funds to supplement federal school breakfast and lunch payments
- Will provide free breakfast and lunch to all pupils
- NEW Section 31k provides \$2.5 million to reimburse districts for forgiven school meal debt
- Communication effort to inform parents of the ongoing need for continued completion of free/reduced-price meal eligibility forms pupils will be crucial to maintaining 31a revenue



# School Transportation

- NEW Section 22k deposits \$350 million in the School Transportation Fund
- NEW Section 22l allocates \$200k to study district transportation costs, study to be completed by February 29, 2024.
- Districts to be grouped by quartiles based on number of riders per mile
- District to receive the lesser of quartile's median cost per rider or actual cost
- NEW Section 74b provides \$125 million in one-time funding for low or zero emission buses



# Enrollment Stabilization Fund

- NEW Section 29 deposits \$314 million in the Enrollment Stabilization Fund
- Section 29 allocates \$71 million to stabilize declining enrollment
- Sec. 29 = ((FY23 membership \* .5 + FY24 membership \*.5) – FY24 membership) \* FDN





# Health & Mental Health Supports

- Section 31aa \$328 million – student mental health/safety
  - At least 50% must be spent on mental health
  - One-time per-pupil funding
- ISD mental health grants and admin: \$92.2 million
- NEW Section 12b - \$45 million in one-time funding for school-based health center upgrades (\$250K cap)
- Adolescent/teen health centers: \$33 million



# Educator Recruitment/Retention

- MI Future Educator Fellowship grants: Maintained at \$25 million
- MI Future Educator Student Teacher Stipend maintained at \$50 million
- Teach for America: \$5 million
- NEW Section 27h provides \$50 million in one-time funding to provide 5 years of mentoring grants
- NEW Section 27l provides \$63.8 million in one-time funding to increase educator compensation
- NEW Section 27k provides \$225 million in student loan payment reimbursement for employees who work directly with students



# School/Service Consolidation

- New Section 12c provides \$245 million for consolidation of districts or services previously identified in ISD feasibility studies funded under Section 11x.



# Early Learning

- GSRP Allocations increases by \$90.9 million to \$543.3 million
  - Full-day programs: \$9,608 per pupil
  - Part-day programs: \$4,804 per pupil
  - Transportation allocation increases by \$18 million to \$28 million total (from \$300 to \$500 per pupil)
- 32t Strong Beginnings: \$18 million
  - Services for Clinton County RESA children who would qualify for GSRP but are 3 years of age
- Early Childhood block grants increase \$6 million to \$19.4 million total



# Interrupted Learning

- Before & After School/Summer programs: \$50 million (Section 32n)



# Classroom Supports

- ISD General Operations: \$3.8 million (5%) increase
- Bilingual Education: \$13.3 million increase to \$39.8 million total
- Isolated Districts: \$2.2 million increase
  - \$1.8 million one-time



# MPSERS

- Removal of FY23 one-time appropriations reduces Gross by \$490m
- Total funding for FY24 of \$2.5 billion
- Reduced payroll growth assumptions



# Contact Information

**Phil Boone, MBA**

Assistant Director

Office of Financial Management, State Aid & School Finance

517-899-0796 (cell)

[BooneP2@michigan.gov](mailto:BooneP2@michigan.gov)

**State Aid & School Finance Web Page**

Mi.gov/sasf

