

FY24 Executive Budget Recommendation

School Aid



Summary of Appropriations



<i>(In Thousands)</i>	FY2023 School Aid		
	Current Law PA 212 of 2022	Exec. Rec. Revised	Difference from Current Law
<i>School Aid Fund</i>	\$16,754,072.9	\$17,602,115.9	\$848,043.0
<i>General Fund</i>	\$124,200.0	\$124,200.0	\$0.0
<i>Other State Restricted</i>	\$212,400.0	\$212,400.0	\$0.0
Total State Funds	\$17,090,672.9	\$17,938,715.9	\$848,043.0
<i>Federal Funds</i>	\$2,524,243.5	\$2,667,043.5	\$142,800.0
Gross Appropriations	\$19,614,916.4	\$20,605,759.4	\$990,843.0
<i>Est. Local Revenue</i>	\$4,281,131.8	\$4,281,131.8	\$0.0
Total Funding	\$23,896,048.2	\$24,886,891.2	\$990,843.0

FY2024 School Aid		
Executive Budget	Difference from FY23 Current Law	% Change
\$18,247,768.3	\$1,493,695.4	8.9%
\$73,700.0	(\$50,500.0)	-40.7%
\$317,000.0	\$104,600.0	49.2%
\$18,638,468.3	\$1,547,795.4	9.1%
\$2,253,043.5	(\$271,200.0)	-10.7%
\$20,891,511.8	\$1,276,595.4	6.5%
\$4,546,562.0	\$265,430.2	6.2%
\$25,438,073.8	\$1,542,025.6	6.5%

Budget Overview

Historic Funding

5% Per Pupil Increase

5% Weighted Funding Model
Increases

Early Childhood Investments

Getting Students What They Need

MI Kids Back on Track

Mental Health and Safety

Literacy Supports

Academic Supports

Educator Workforce

Planning for the Future

Health and Safety Infrastructure

EV Buses

Service Consolidation Supports

Infrastructure Reserve

MPSERS

Rainy Day Fund

Weighted Funding Model

Weighted Funding Model

- **Foundation Allowance:** 5%, \$458 per pupil increase to \$9,608. Estimated cost of \$614 million.
 - Foundation allowance for cyber schools is set at 80% of this amount, \$7,687, for a reduction of \$42 million.
- **At Risk:** Funding increased by \$64.7 million.
 - Maintains funding at 11.5% of the new foundation allowance
 - Cost is driven by 5% increase plus additional number of economically disadvantaged pupils
- **Special Education Foundations**
 - Increase from 75% of a foundation to 87.5%. Funding is distributed using current law Sec. 51e methodology.

Weighted Funding Model (continued)

- **Vocational Education / CTE:**

- 61a - Added cost reimbursements – maintains FY23 one-time funding of \$10 million, to retain ongoing total of \$47.6 million
- 61c - CTE Equipment Grants – funded at \$15 million

- **Other 5% Increases**

- ISD Operations – \$3.8m
- Rural/Isolated Districts - \$0.4m
- English Language Learners - \$1.3m
- Early On - \$1m

Early Learning Opportunities

Early Learning Opportunities

FY23 Supplemental

- **GSRP Start-Up Grants** - \$50m (SAF). Payments of \$25,000 for each new or expanded GSRP classroom for staff recruitment, facility improvements, and outreach.
- **Expanded GSRP Programming** - \$75m (ARP) to expand GSRP calendars from 4 days to 5 days and to add additional weeks. Provides one-time expansion grant of \$75,000 to each expanded program.
- **GSRP Marketing** - \$10m (ARP) for statewide outreach, student recruitment efforts, and development of a website to connect parents with providers and open slots.
- **Early Childhood Workforce** - \$50m (ARP) for MDE, LARA, and early childhood training organizations to identify workforce needs, develop pathways to increase recruitment, provide professional development, and pilot programs.
- *ARP funded programs will be funded with projected excess dollars available in the GSRP line from FY22 work projects and FY23 appropriations.*

Early Learning Opportunities

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- **GSRP Slot Allocation Increase** - \$22.5m (SAF) to increase the per child allocation to the same level as the foundation allowance, a 5% increase to \$9,608.
- **GSRP Income Eligibility Expansion** - \$50m (SAF) to increase the income eligibility threshold from 250% FPL to 300% FPL. If all children eligible up to 300% FPL are served, providers can serve up to 400% FPL (increase from 300%).
- **GSRP Transportation** - \$18m (SAF) to increase the GSRP transportation reimbursement from \$10m to \$28m.
- **GSRP 3-Year-Old Pilots** - \$18m (ARP) to expand programming under this existing Sec. 32t to pilot GSRP type programming for 3-year-olds. Funding is to be spent over 3 years
- **Early Childhood Collaboratives (ECCs) and Home Visits** - \$9.5m (SAF) to provide an additional \$7.5m to the ECCs and \$2m more for home visitation programs funded under Sec. 32p
- **Dolly Parton Imagination Library** - \$4m for funding through ECCs to enroll children in services through the Dolly Parton Imagination Library, which provides books by mail to families.

Student Supports

Student Supports

FY23 Supplemental

- **MI Kids Back on Track** - \$300m (SAF) for per pupil payments to districts to address unfinished learning. Districts must match funding received and must use funds to implement evidence-based best practices and to implement transparency measures.
- **DPSCD Literacy Settlement** - \$94.4m (SAF) for payments to DPSCD related to the Gary B v Whitmer lawsuit. Funds must be used by DPSCD for literacy-related programs.

Student Supports – Health and Safety

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- **School Meals** - \$160m (SAF) that, when combined with federal dollars, will make breakfasts and lunches free to all public school students. The budget also includes \$1m for student meal debt forgiveness.
- **Mental Health Supports** - \$300m (SAF) to *continue* discretionary per-pupil mental health payments for 2 years and \$28m additional dollars in Sec. 31n for per pupil payments through ISDs. The Sec. 31n increase is partially funded by moving \$25m for School Resource Officers into this line.
- **School Safety Supports** - \$318m (SAF + GF) to continue discretionary per-pupil school safety payments for 2 years. GF funding for nonpublic schools is included for 1 year.
- **Cybersecurity** - \$9m (SAF) for payments to districts to assess and address cybersecurity needs. Pays up to \$10,000 per district.
- **School-Based Health Center Facilities** - \$25m (SAF) for improvements to school-based health centers. \$20m is for full clinical school-based health centers and \$5m is for behavioral health-only sites

Student Supports – Literacy Supports

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- **Curriculum and Training** - \$300m (SAF) over 2 years to improve literacy instruction by assessing current practice, identifying gaps, and addressing needs. Funding for LETRS is moved from Sec. 35a and distributed from this allocation.
- **Literacy Initiatives Under Sec. 35a** - \$30m (SAF). Provides an additional literacy coach per ISD and increases payment from \$112,500 to \$125,000 (\$10.5m). Also increases literacy grants to districts by \$14.5m and continues funding for the Michigan Reading Corps (\$5m)
- **Literacy Hubs and Parent Outreach** - Provides \$1.2m (SAF) to statewide literacy hubs to align early literacy supports and \$2.0m (ARP) for parental outreach on available programs.

Student Supports – Academic Supports

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- **Math Pathways** - \$30m (SAF) for programs to support professional development, curriculum, and teaching of mathematics.
- **Partnership Districts** - \$36m (SAF) to triple support for partnership districts for 3 years. The department will allocate not more than \$12m per year, providing \$18m for partnership districts for 3 years.
- **Before and After School** - \$25m (ARP) to continue funding for before and after school programs under Sec. 32n.
- **GOAL Line Detroit** - \$6m (ARP) to expand capacity of GOAL Line Detroit to provide eligible children with access to high-quality, engaging afterschool programs
- **Michigan Learning Channel** - \$5m (SAF) for continued support for public television. MLC must use funding to expand aligned literacy programming over-the-air, online, and in communities.

Educator Workforce

Educator Workforce

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- **MI Educator Fellowship and Stipend** – The budget maintains support for the fellowship (\$25m) and student teacher stipend (\$50m) to remove cost as a barrier from becoming a teacher. The budget also deposits an additional \$25m into the fellowship reserve fund.
- **Mentoring and Induction** - \$25m (SAF) for mentoring and induction of new teachers, counselors, and administrators. Funding may be used for stipends, training, materials, and other mentoring costs.
- **Rural Educator Credentialing Hub** - \$15m (SAF) to pilot the creation of a partnership between districts and educator preparation providers to support prospective educators through certifications and career experiences.
- **Administrator Training on Special Ed** - \$5m (SAF) for training for principals and administrators on legal requirements and other supports for special education students.
- **Talent Together (FY23 Supplemental)** - \$25m (SAF) for a partnership between ISDs and a non-profit for teacher retention and recruitment, training, certification, and leadership development.

Planning for the Future

Planning For the Future

- **Healthy Schools Program (FY23 Supplemental)** - \$300m for grants to districts for health, safety, and renewable energy needs. Funding is prioritized to districts based on environmental need and other need-based factors.
- **EV Bus Grants** - \$150m for matching grants for the purchase of low or no emission school buses. Funding is prioritized to districts based on environmental need and other need-based factors.
- **Consolidation Incentives** - \$245m (Consolidation and Infrastructure Fund) for incentive payments to districts for consolidation of financial services, human resources, IT, grant management, and other back-office supports. Funding is awarded to recipients who complete the consolidation feasibility study appropriated in the proposed revised Sec. 11x in FY23.
- **Infrastructure Deposit (FY23 Supplemental)** – Deposits an additional \$500m into the Consolidation and Infrastructure Fund, bringing total infrastructure-related balance to nearly \$750m.
- **MPSERS Deposit (FY23 Supplemental)** - Deposits an additional \$500 into the MPSERS Reserve Fund to hedge against future costs driven by 2022 market conditions.
- **Rainy Day Fund** - \$900m is deposited into a new rainy day fund (roughly 5% of SAF expenditures). Dollars may be withdrawn during times of negative revenue growth and/or proration.

Other Investments

Other Investments

- **Adult Education** – Provides an additional \$15m through the existing formula in Sec. 107 and creates new pilot programs (\$15m) in Sec. 107a to connect adult learners with Reconnect and/or Michigan Works.
- **FAFSA Completion** – Incentive payments of up to \$150 per 12th grader for FAFSA completion activities. Districts receive \$50 per senior, \$50 per completion, and \$50 per completion to purchase gift cards for the students.
- **MVU** – Provides an increase of \$1.8m from the FY23 ongoing base. Total funding of \$9.3m.
- **Tribal Data Collection and Data Hubs (in Sec. 152a)** – Additional \$4.3m. \$3m of this amount is for payments to districts to collect certain tribal affiliation and program participation data and \$1.3m is for district work through the data hubs.
- **MPSERS**
 - **Payroll Growth Assumption** – Continues early phase-down of payroll growth assumption. Buys down 2 years at a cost of \$202m. Funded from the school aid fund.
 - **MPSERS Cost Offset** – Provides \$11.9m for cost offset payments under Sec. 147a for intermediate districts and libraries, to offset at the same rate experienced by districts.

Thank You