



Livonia Public Schools

Finance Office

Date: July 21, 2022

To: Andrea Oquist, Superintendent

From: Alison Smith, Chief Financial Officer

Re: State Aid Budget

On July 14, 2022, Governor Whitmer signed the School Aid Budget for the 2022-23 fiscal year. I would like to discuss the recently released State Aid Budget and how that compares with the estimates the district used in developing our 2022-2023 budget.

In our 2022-2023 proposed budget, we assumed an increase of \$600 per-pupil in the General Fund between the increases to the foundation allowance and various categorical areas. We also assumed an increase in the reimbursement of special education related costs of \$1.5 million in the General Fund.

The 2022-23 School Aid budget allocates a \$450 increase in the per-pupil foundation allowance and an increase to several categorical areas such as Section 31a funding for students at-risk of failing. New categorical areas were added that will benefit our district such as Section 31aa that provides per-pupil payments to districts for activities to improve mental health and Section 51e, a special education foundation allowance payment that will replace funding received previously under Section 51f and will increase the overall reimbursement of special education related costs. As a reminder, based on the Act 18 agreement, the Section 51e payment will be split roughly 50/50 between the General Fund and Special Education Fund. One other categorical area I would like to make note of at this time is Section 97, a school safety grant that will now provide a per-pupil payment to district for school safety related products and services.

Please include this agenda item for the Monday, August 1, 2022, Board of Education Finance Committee meeting. As always, please contact me if you have any questions.

AS/kv

c: Board of Education