

## **School Funding/Budgeting - School Aid Fund**

### **Dr. Ryle Kiser – Superintendent**

With everybody beginning to work on or propose new budgets for the upcoming year including the governor, we thought it would be a good idea to provide some information (basic) on how school funding works. Generally, the district is funded on a per pupil basis based on two different count days that occur at the first of October and again in the first of February. It is a blended count with the October count day weighted 80% and the February count day weighted 20%. The money from the state is generated from the School Aid Fund that was established according to Article IX, Section 11 of the Michigan Constitution of 1963 which states the fund shall be used exclusively for aid to school districts, higher education, and school employee's retirement systems. The funds for the school aid fund are generated by sales and use taxes, personal income tax, and property taxes. At this time, per pupil allocation that Grass Lake Community Schools receives from the school aid fund is \$7,631. This figure has been increased greatly over the past few years and Governor Snyder has stated in his next budget he will continue to increase funding for schools. How the money is allocated is left to the decision of the local school district board of education. Currently, approximately 80% of all Grass Lake Community School funding allocation is for personnel and personnel benefits. The district receives funds on a monthly basis with the exception of September which is a month that we do not receive a distribution from the state.

Recently, there have been some new survey and research results released from School Finance Research Collaborative regarding what it costs to educate a student in the state of Michigan. Some of the information is very interesting and some is very startling. According to the study performed by educators throughout the state of Michigan, the base cost of funding needed to properly educate a student in the state is \$9,590 per student. As school districts get smaller, the cost per student increases proportionally up to \$11,482 for very small districts. These figures do not include transportation (approximately \$973 per student per school year), food service, or capital costs (i.e. building improvements/upgrades, busses, building repairs, supplementing programs, etc.) to a district.

In addition to the base cost, there are additional resources that are needed which could increase the needed funding such as poverty, English Language Learners, and special education. In the case of special education, the average cost per student would be \$23,786 depending on the level of learning disability a student may have been identified with. All of these factors need to be taken into consideration when developing budgets.