



Press Release

Dr. Julie D. Helber, Superintendent

July 16, 2021

On July 13, 2021, Governor Whitmer signed HB 4411, the school aid budget, which does its best to equalize state aid payments to school districts across the state of Michigan, including the Chelsea School District.

The Chelsea School District has been receiving just shy of the lowest foundation allowance per pupil. Last school year, the CSD received \$8,138 per pupil. With the signing of HB 4411, the district will receive \$8,700 per pupil. These funds are for general operating purposes and do not have restrictions. This is the largest investment in education that I have seen in my 33-year career and will allow the district to continue to invest and expand our programming for our students in ways that have been challenging in previous years.

Foundation Allowance History

<u>Year</u>	<u>Foundation Allowance</u>	<u>Incr/(Decr) Amount</u>	<u>Incr/(Decr) Percentage</u>
08-09	7,650		
09-10	7,650	-	0.00%
10-11	7,650	-	0.00%
11-12	7,180	(470)	-6.14%
12-13	7,180	-	0.00%
13-14	7,237	57	0.79%
14-15	7,287	50	0.69%
15-16	7,426	139	1.91%
16-17	7,545	119	1.60%
17-18	7,664	119	1.58%
18-19	7,901	237	3.09%
19-20	8,138	237	3.00%
20-21	8,138	-	0.00%
21-22 (Projected)	8,700	562	6.91%

In addition to the increase in foundation allowance, the Governor approved the distribution of the federal Elementary and Secondary School Emergency Relief (ESSER) funds when she signed HB 4421. The ESSER funds are distributed based on the school district's Title 1, Part A allocation. There were two ESSER allocations, ESSER II and ESSER III. The CSD will receive

\$217,095 in ESSER II funds and \$487,563 in ESSER III funds once all of the formula funds are distributed. These funds may have some restrictions tied to COVID-related expenses.

Because these funds were distributed based on Title 1, Part A formulas, some school districts received significantly more from this allocation than other districts. As a result, the Governor approved an equalization payment for both ESSER II and ESSER III to distribute additional funds to school districts that did not receive at least \$450 per pupil in ESSER II and \$1,093 per pupil in ESSER III.

Initially, the ESSER II equalization payment was tied to a district's ability to provide at least 20 hours of in-person instruction by March 22, 2021. Coinciding with this legislation, COVID-19 cases were on the rise and eventually led to a severe spike in late March and early April. Based on advice from the Washtenaw County Health Department and the declaration of a local State of Emergency, the CSD did not increase density in our buildings. The legislation was modified with the Governor's recent signing so that districts who were not able to meet this requirement previously due to safety, health orders, and to protect public health will now receive these funds. As a result, the CSD accepted the funds and will receive approximately \$817,905.

The ESSER III equalization payment is allocated to districts that did not receive at least \$1,093 per pupil through the Title 1, Part A allocation. CSD is included in this equalization payment and will receive \$2,026,337 in equalization funds.

The additional ESSER funds will be allocated in the upcoming state aid payments. The district is designing plans for expending these funds and discussed priorities with the Board of Education at its most recent Board Work Session. Consensus was that a focus on COVID recovery would be at the heart of the utilization of these funds. [MDE's Blueprint for Comprehensive Student Recovery](#) provides an excellent guide for districts as they make their plans. Some examples of preliminary use of these funds in CSD will focus on low class size, intervention support, tutoring, before and after school programming, professional development for staff, community engagement, and social, emotional learning support. The district administration will be presenting plans to our community and our Board of Education in August to solicit input before our plans are finalized.

School district preliminary budgets must be approved prior to July 1 of each school year. The CSD preliminary budget was approved on June 28, 2021, for the 21-22 school year. Because the state aid budget and ESSER funds were approved after the July 1 deadline, districts approved budgets based on assumptions. This is typical because we do not usually know what our foundation allowance or student enrollment will be for the following school year by June 30. The chart below shows the difference in what was budgeted in the preliminary budget with what we know now. An amended budget will be presented to the Board of Education after the first count day period (first Wednesday in October).

21-22 Revenue Budget Changes Since Approval						
		Restricted/	Amount In	New	Change From	
Bill Number/Description	Status	Not-Restricted	Preliminary	Amount	Preliminary Budget	
HB 4411 - State Budget	Signed 7/13/21	Not-Restricted	460,000.00	1,292,600.00	832,600.00	
HB 4421 - Sec 11r(4) - ESSER II (43.6% + 56.4%)	Signed - 7/7/21	Restricted	94,654.00	217,095.00	122,441.00	
11r(4) - ESSER II Equity (\$450/student)	Email Approval 7/9/21	Restricted ?	0.00	817,905.00	817,905.00	
HB 4421 - Sec 11r(8) - ESSER III	Signed - 7/7/21	Restricted	0.00	487,563.00	487,563.00	
HB 4411 - ESSER III - Equity (\$1,093/student)	Included in HB 4411- signed 7/7/21	Restricted ?	0.00	2,026,337.00	2,026,337.00	
			554,654.00	4,841,500.00	4,286,846.00	

I am thrilled to see this kind of investment in public education in the state of Michigan. Districts across the state will be developing and implementing plans and will have the resources to support these plans that will benefit the students in Michigan for years to come. Investing in our children is always the right course of action. I can assure you that the CSD will use this additional funding to support our students and provide them with what they need as we recover from a very challenging 18 months.