

**History and Analysis
of Section 81 Funding
Final Report**

**Prepared for
Michigan Association of
Intermediate School Administrators**

**Prepared by:
Public Policy Associates, Incorporated
119 Pere Marquette Drive
Lansing, MI 48912-1231
(517) 485-4477
Fax: 485-4488**

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Public Policy Research,
Development,
and Evaluation

Jeffrey D. Padden
President

119 Pere Marquette
Lansing, MI 48912-1231
517-485-4477
Fax: 485-4488
ppa@publicpolicy.com
www.publicpolicy.com

Introduction

The Michigan Association of Intermediate School Administrators contracted with Public Policy Associates, Incorporated (PPA) to review the history of Section 81 funding with particular attention to how it was changed during the process of adoption of Proposal A for K-12 operating districts.

Brief Description and History of Section 81

“Section 81” refers to that portion of the annual School Aid budget contained in Section 81 of the annual school aid appropriations bill. That section has historically been the source of what Intermediate School Districts (ISDs) have regarded as their “unrestricted” or general purpose state aid. Section 81 of each annual appropriation has been used for this purpose since Public Act 258 of 1972, which provided the budget for the state Fiscal Year (FY) 1973-74 for school aid.¹

Table E-1 in Appendix E provides a summary history of key features of annual appropriations under Section 81 and its predecessors beginning with Public Act 100 of 1970, providing appropriations for the state fiscal year 1970-71 (July 1 to June 30 – the state changed to the current October 1 – September 30 year by making FY 1975-76 a 15-month year).

The history of Section 81 and its predecessors since 1970 depicted in Table 1 shows four nominally distinct formulaic approaches to distribution of state funds. In practice these seemingly different approaches probably had little effective difference because of other provisions of the acts either literally “grandfathering” minimum increases, or prohibiting reductions due to any formula change.

¹ In one sense, PA 258 was a “transition” year in section numbering history. It appropriated funds in Section 81 and allocated them in Section 82. Prior to that, appropriations were provided in Section 2 and allocation language was contained in Section 16a of the annual appropriation bills. After PA 258, the appropriation and allocation language was combined into Section 81.

In the very first years of this period (and based upon some spot checks, going back many more years) funds were distributed as a percentage of the total state aid received by each intermediate district's constituent local districts. Each ISD was also "guaranteed" a minimum amount of state aid equal to 50.00% of its "approved" budget. Under this methodology, any equity in ISD funding would have been only the accidental result of the equity or inequity of the funding of its constituent districts.

The second distribution methodology came into effect in Public Act 101 of 1973, the school aid budget for FY 1974 (July 1, 1973 to June 30, 1974). Beginning with this budget, funds were distributed by a formula that nominally took into account pupil enrollments and local property tax wealth and effort. For example, the FY 1974 budget provided that aid to ISDs would be distributed based upon the number of pupils enrolled in each intermediate's constituent districts multiplied by \$8.00. Local wealth and tax effort then was factored in as a "deduct" by subtracting an amount equal to 0.2 mills on state equalized valuation (SEV), or the actual levy, if less than 0.2 mills.

Additional language provided that each ISD would receive not less than a 10.00% increase, but also not more than an increase of \$1.50 per pupil, thus creating both an artificial floor and ceiling on the results of the basic formula. This formula continued in existence, with modifications of the minimum/maximums and basic formula amounts until FY 1983. Continued use of minimum/maximum guarantees over this period would have also had the result of largely maintaining the status quo of equity over the period with only marginal changes by capping maximum increases at the same time it guaranteed minimums.

Public Act 276 of 1982, the appropriations act for school aid for FY 1983 marked the third nominal change in funding distribution. Section 81 for FY 1983 appropriated an increase of 105.80% of their prior year's state aid, less an amount equal to that raised by local property taxes). This would have had the effect of providing less aid to districts with faster growth in local property tax revenues and more to those with slower growth in local property tax base. Once again, however, the equity gain could only have been marginal, at best, because other language provided that ISDs would receive not less than their prior year's state aid. Thus, while

the levels increased over this period (despite some years of decline), the relative positions of districts would not have changed significantly.

The Proposal A Era for ISDs

The fourth change to Section 81 distributions came concurrent with the adoption of Proposal A for K-12 operating districts (and K-6 and K-8's as well). While large amounts of funding were rearranged within the appropriations bill, like earlier changes, the effect was to continue the status quo with only marginal changes.

Proposal A's impact on ISDs really came in two separate steps. The first was in Public Act 283 of 1994, which contained the traditional Section 81 language and an adjusted amount (providing a 3.00% increase). Added to that were new subsections in Sections 81 (7) and 81 (8). Subsection (7) appropriated an additional amount of \$6.76 million for certain specified categorical programs generally related to school quality. These categoricals were referenced to both the school code [in (7)(a) and (b)], and the 1993-94 appropriations under former sections 21a, 22, 23b, 46, 48, 83, 91, and 93 of that act. Subsection 81 (8) listed these sections and additionally required each ISD receiving funds under (8) to submit a report to the Legislature describing their use of the funds. Not all ISDs received these categoricals. Indeed, some received several, and a few had received none of them. A summary of these grants appears in Table 1 below.²

² Only 7 of the 57 ISDs did not receive at least one of these grants that were rolled into the new funding base. They can be easily identified in the table because their rows show only shaded cells with no dollar amounts entered. Another 15 were funded for only 1 categorical, 14 were funded for 2, 13 for 3, 5 for 4, and only 3 for 5. No district was funded for more than 5 of the possible 9 different categoricals handled this way.

Table 1: Detail of Categorical Funding Rolled Up Into New Section 81 Base

District Code	Categoricals From 93-94 Rolled Into ISD Section 81 Base Per PA 283 of 1994, Sec 81(7) and (8)*	FY 93-94 Sec 21A Supp Serv Sch Impr	FY 93-94 Sec 21A-1 Dev Costs Sch Impr	FY 93-94 Sec 22 Consolidation	FY 93-94 23B TEC Sch Choice	FY 93-94 46 Dropout Pilots	FY 93-94 48 Juv Rehab	FY 93-94 83 Media Centers	FY 93-94 91 ISD Choice	FY 93-94 93.1,93.2 School Age Parents Pilots	Total Across	FY 93-94 Sec 98 Prof Dev
03000	Allegan Area Educational Service Agency		\$17,500.00			\$100,000.00	\$4,348.86				\$121,848.86	\$174,000.00
04000	Alpena-Montmorency-Alcona ESD		\$3,500.00								\$3,500.00	
08000	Barry ISD											
09000	Bay-Arenac ISD		\$19,500.00			\$48,876.00	\$14,496.20	\$85,599.00		\$16,000.00	\$184,471.20	\$100,000.00
11000	Berrien ISD		\$39,500.00					\$124,198.00			\$163,698.00	
12000	Branch ISD											
13000	Calhoun ISD	\$62,000.00	\$51,500.00				\$11,596.96	\$22,000.00		\$24,500.00	\$171,596.96	
14000	Lewis Cass ISD		\$4,500.00								\$4,500.00	
15000	Charlevoix-Emmet ISD		\$15,000.00								\$15,000.00	
16000	Cheboygan-Otsego-Presque Isle ESD				\$90,000.00			\$85,140.00		\$3,500.00	\$178,640.00	
17000	Eastern Upper Peninsula ISD		\$17,000.00					\$54,881.00			\$71,881.00	
18000	Clare-Gladwin RESD		\$12,000.00					\$118,449.00			\$130,449.00	
19000	Clinton County RESA	\$80,000.00	\$6,500.00				\$5,798.48				\$92,298.48	
21000	Delta-Schoolcraft ISD	\$57,000.00	\$15,000.00			\$70,770.00	\$19,424.90			\$19,000.00	\$181,194.90	
22000	Dickinson-Iron ISD		\$9,500.00								\$9,500.00	
23000	Eaton ISD		\$1,000.00								\$1,000.00	
25000	Genesee ISD	\$56,000.00	\$59,500.00					\$207,927.00			\$323,427.00	\$100,000.00
27000	Gogebic-Ontonagon ISD		\$8,500.00		\$90,000.00						\$98,500.00	

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28000	Traverse Bay Area ISD	\$62,000.00	\$26,000.00				\$3,913.97	\$137,474.00			\$229,387.97	
29000	Gratiot-Isabella RESD				\$75,000.00	\$58,900.00					\$133,900.00	
30000	Hillsdale ISD						\$2,899.24				\$2,899.24	
31000	Copper Country ISD							\$59,550.00			\$59,550.00	
32000	Huron ISD	\$51,000.00	\$16,500.00								\$67,500.00	\$150,000.00
33000	Ingham ISD		\$32,000.00					\$153,097.00			\$185,097.00	
34000	Ionia ISD											
35000	Iosco RESA		\$7,500.00								\$7,500.00	
38000	Jackson ISD		\$21,500.00					\$92,824.00			\$114,324.00	
39000	Kalamazoo RESA		\$43,500.00					\$171,779.00			\$215,279.00	\$150,000.00
41000	Kent ISD	\$55,000.00	\$68,500.00					\$230,022.00			\$353,522.00	\$150,000.00
44000	Lapeer ISD											
46000	Lenawee ISD		\$12,000.00							\$3,500.00	\$15,500.00	
47000	Livingston ESA		\$17,500.00								\$17,500.00	
50000	Macomb ISD	\$55,000.00	\$49,500.00					\$260,885.00			\$365,385.00	
51000	Manistee ISD		\$9,000.00			\$64,858.00					\$73,858.00	\$27,000.00
52000	Marquette-Alger RESA					\$39,769.00	\$5,798.48	\$94,508.00			\$140,075.48	
53000	Mason-Lake ISD		\$10,500.00								\$10,500.00	
54000	Mecosta-Osceola ISD		\$14,000.00		\$100,000.00						\$114,000.00	
55000	Menominee ISD											
56000	Midland County ESA		\$15,500.00				\$10,727.19			\$3,500.00	\$29,727.19	
58000	Monroe ISD		\$23,500.00					\$106,870.00		\$3,500.00	\$133,870.00	

Table 1: Detail of Categorical Funding Rolled Up Into New Section 81 Base

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59000	Montcalm Area ISD		\$2,000.00			\$80,926.00			\$50,000.00	\$3,500.00	\$136,426.00	
61000	Muskegon Area ISD							\$108,557.00			\$108,557.00	
62000	Newaygo County RESA											
63000	Oakland Schools	\$63,000.00	\$107,500.00					\$316,706.00			\$487,206.00	
64000	Oceana ISD											
70000	Ottawa Area ISD	\$58,000.00					\$1,156.80	\$125,337.00			\$184,493.80	
72000	Crawford-Oscoda-Ogemaw-Roscommon ISD		\$8,500.00								\$8,500.00	
73000	Saginaw ISD	\$55,000.00	\$6,000.00		\$100,000.00			\$100,443.00			\$261,443.00	\$200,000.00
74000	St. Clair County RESA		\$9,500.00						\$100,000.00		\$109,500.00	
75000	St. Joseph County ISD		\$11,500.00								\$11,500.00	
76000	Sanilac ISD		\$8,000.00		\$45,000.00				\$50,000.00		\$103,000.00	
78000	Shiawassee Regional ESD		\$8,500.00								\$8,500.00	
79000	Tuscola ISD		\$4,000.00					\$82,902.00			\$86,902.00	
80000	Van Buren ISD		\$6,500.00		\$100,000.00	\$113,027.00	\$4,348.86				\$223,875.86	
81000	Washtenaw ISD	\$57,000.00	\$24,500.00				\$31,891.63	\$133,115.00			\$246,506.63	
82000	Wayne RESA	\$89,000.00	\$83,000.00					\$605,837.00			\$777,837.00	

Table 1: Detail of Categorical Funding Rolled Up Into New Section 81 Base

District Code	Categoricals From 93-94 Rolled Into ISD Section 81 Base Per PA 283 of 1994, Sec 81(7) and (8)*	FY 93-94 Sec 21A Supp Serv Sch Impr	FY 93-94 Sec 21A-1 Dev Costs Sch Impr	FY 93-94 Sec 22 Consolidation	FY 93-94 23B TEC Sch Choice	FY 93-94 46 Dropout Pilots	FY 93-94 48 Juv Rehab	FY 93-94 83 Media Centers	FY 93-94 91 ISD Choice	FY 93-94 93.1,93.2 School Age Parents Pilots	Total Across	FY 93-94 Sec 98 Prof Dev
83000	Wexford-Missaukee ISD									\$10,500.00	\$10,500.00	
		\$800,000.00	\$926,500.00	\$0.00	\$600,000.00	\$577,126.00	\$116,401.57	\$3,478,100.00	\$200,000.00	\$87,500.00	\$6,785,627.57	\$1,051,000.00
	*Dollars were separate from Sec 81 (1) for 1994-95, and fully rolled-in as of FY 95-96.											
											Fifty with one or more avg:	
											\$135,712.55	\$13,822,255.14
											Seven w zero	
												\$6,762,000.00
												\$6,762,000.00
												\$0.49

In addition, amounts supporting retirement and social security funding for ISDs were still contained in separate sections of the appropriation. The complete text of PA 283 of 1994 Section 81 may be found in Appendix A.

The complete transformation of ISD funding to a Proposal A-foundation equivalent appears in Public Act 130 of 1995, for FY 1996. The amounts involved appear to represent both a substantial and fundamental change: FY 1995 Section 81 appropriations only showed \$22.95 million, plus \$6.76 million for the categorical grants discussed above under Section 81 (7) and (8). The text of PA 130's Section 81 may be found in Appendix B.

While the additional funding for the Social Security and Retirement funding that was also rolled into the new funding base was also in PA 130, it was in Sections 146a and 147 of the bill and the amounts were not referenced in Section 81. The total of \$22.95 million plus \$6.76 million thus was in sharp contrast to the FY 1996 Section 81 appropriation for that year, which contained the amount of \$76.77 million and did contain the social security and retirement funding. That latter number, however, was approximately equal to the sum of all of the above separate pieces, including the retirement and social security funding, with some very minor differences possibly due to prior-year adjustments.

While this change was seemingly both structured and fundamental in the same sense that the shift to a foundation grant distribution system for K-12's was, with each ISD—like each local district—much more responsible for allocating its own funds rather than having them earmarked by the appropriation bill, the reality was quite different.

In contrast to the K-12 districts, where substantial equity improvements were made for nearly all, and only a few had minimum increases, ISDs all received only a minimum, equal increase of 3.50%.³ For ISDs, no “per-pupil” foundation was created. Rather, funding from disparate sources that had previously existed was simply aggregated in one place, perhaps giving the semblance of a foundation, but it had no relationship to any “per-pupil” foundation. Instead, the Section 81 funding, sometimes referred to as the foundation “equivalent” for ISDs, reflected only

³ Public Act 130 of 1995 Section 81 (1).

past funding decisions, which may or may not have had an element of need or relationship to the number of pupils served as part of the decision-making process.

In a sense, the “new” Section 81 contained in PA 130 was a re-model of the ISD funding, rather than new construction as was true for the K-12 districts under Proposal A. There was no “foundation” or minimum level of per-pupil funding created for ISDs. Public Act 283 of 1994, as noted above, added to the base funding received for⁴:

Sec 21A	Support services for school improvement
Sec 21A-1	Developmental costs for school improvement
Sec 22:	Consolidation grants
Sec 23B	Grants for TEC schools of choice
Sec 46	Grants for dropout pilot programs
Sec 48	Grants for juvenile rehabilitation programs
Sec 83	Grants for operation of regional media centers
Sec 91	Grants for ISD operated schools of choice
Secs 93.1 and 93.2	Grants for school age parent pilot programs

In addition to building these grants into the new Section 81 baseline, Public Act 130 of 1995 added to Section 81 funding previously paid on behalf of ISDs for social security (FICA) and retirement costs associated with employees on their payrolls. These funds had previously been appropriated under Sections 146a (1) and 147 (1) of earlier school aid appropriation bills. In this case, Section 81 of PA 130 provided adding in only 90.00% of these previous amounts, and then increased them by 3.50%. Detail of the FICA and retirement amount calculations is provided in Appendix E.

These changes, both at the time and in retrospect were cosmetically like Proposal A in that they combined a number of sources of categorical funding into one appropriation, but far less complete and structurally different given that they bore no relationship to pupil counts. Indeed,

⁴ See Public Act 283 of 1994, Section 81 (8) for list of categoricals to be included.

it may have been technically impossible given the widely varying missions of ISDs across the state.

Like Proposal A, however, these changes did give somewhat greater flexibility to ISDs. By not tying these amounts to pupil enrollment, ISDs arguably retained a floor of funding in the face of future enrollment declines, unlike declining enrollment K-12 districts, which saw concurrent reductions in funding when enrollment declined. On the other hand, while growing K-12 districts saw fairly immediate funding increases, a growing ISD got only the same across-the-board percentage increase received by all other ISDs.

ISDs did receive considerable flexibility from this “assemblage” funding. They were not required to continue to operate any of the specific grant programs whose funding was included in their base by virtue of PA 283 of 1994 and PA 130 of 1995. ISDs continue to have this flexibility. Today there is no way of knowing whether any of the categorical programs, or the employees whose social security and retirement funding was supported by the funding that was built into each ISD’s base are still being operated by that ISD without individually asking each ISD.

For ISDs there also was no attempt to blend the three major missions of intermediates into one foundation. Those three major missions may be simply stated as vocational education, special education, and general support of local district efforts in administering and delivering all other education programs as needed or desired. The funding streams for vocational education and special education were left intact and separate.

The Effects of the “Reform” in PA 130 of 1995: Constructing the New Section 81 Base

For ISDs, the changes related to Proposal A froze current reality in place rather than creating a fundamental change in equity as was true with the K-12 districts, and there was no intent to do so given the focus on reform for K-12 districts. Indeed, the intermediate district reforms left the major funding for vocational education and special education funding as separate streams with little or no change.

What was included in the intermediate district version of Proposal A, the third major change in intermediate district funding formulas since 1970, was the following:

- The amount received under Section 81 in the prior year
- Certain other programs that were arguably more related to a general education mission or to professional support activities (discussed in more detail below)
- A total of 90.00% of the amounts paid by the state for FICA and retirement on behalf of ISD employees ⁵
- These amounts were increased by 3.50% in PA 130 of 1995

The effects of the funding change in terms of the level of dollars can be seen in the series of graphics that follow this section of the report. We have grouped the 57 ISDs into a series of 10 groups (eight with six each, two with five, and one with four) to keep ISDs with similar levels of funding at the time of the financing change on the same scale. For example, look at Group 1. This group contains six ISDs that each received less than \$100,000 under Section 81 prior to Proposal A. The districts are identified by code on the graphic due to the need to avoid the sometimes long names, but for discussion purposes we note here the following (for the non-numerical reader, a complete list of the ISD district codes and names is in Appendix C):

51000 = Manistee ISD

64000 = Oceana ISD

08000 = Barry ISD

15000 = Charlevoix-Emmett ISD

55000 = Menominee ISD

35000 = Iosco RESA

Note in all cases that while the left scale of each chart depicting the amounts available obviously differs significantly, there is no discernible difference in the slope of the lines. The shift upwards

⁵ As best can be determined, the other 10 % of FICA and retirement funds were directed to certain Center programs that were separately run under Special Education budgets before and after the changes of Proposal A.

in the scale for certain ISDs is due to three categories of factors. First, the 3.50% increase all districts received. Second, the number and size of the miscellaneous categoricals rolled into Section 81 and detailed in Table 1-D in Appendix D. Third, the amount of social security and retirement funds rolled into the base; this appears to have varied widely based upon differing practices among ISDs and local districts in terms of whose payrolls certain types of staff were carried on at the time.

The groupings of districts in the charts also seems to show us that while the scale of the dollars across districts is different, those districts that started at a similar level of funding, adjusted for the specific rolled-in categoricals, has remained relatively the same over time. We have performed some statistical tests on the relationships as well and have determined that the most significant relationship, as expected, is the relative size of ISDs as measured by total pupils served in constituent districts and as pupils counted at the ISD level. Further, those relative relationships seem not to have changed significantly over time.⁶

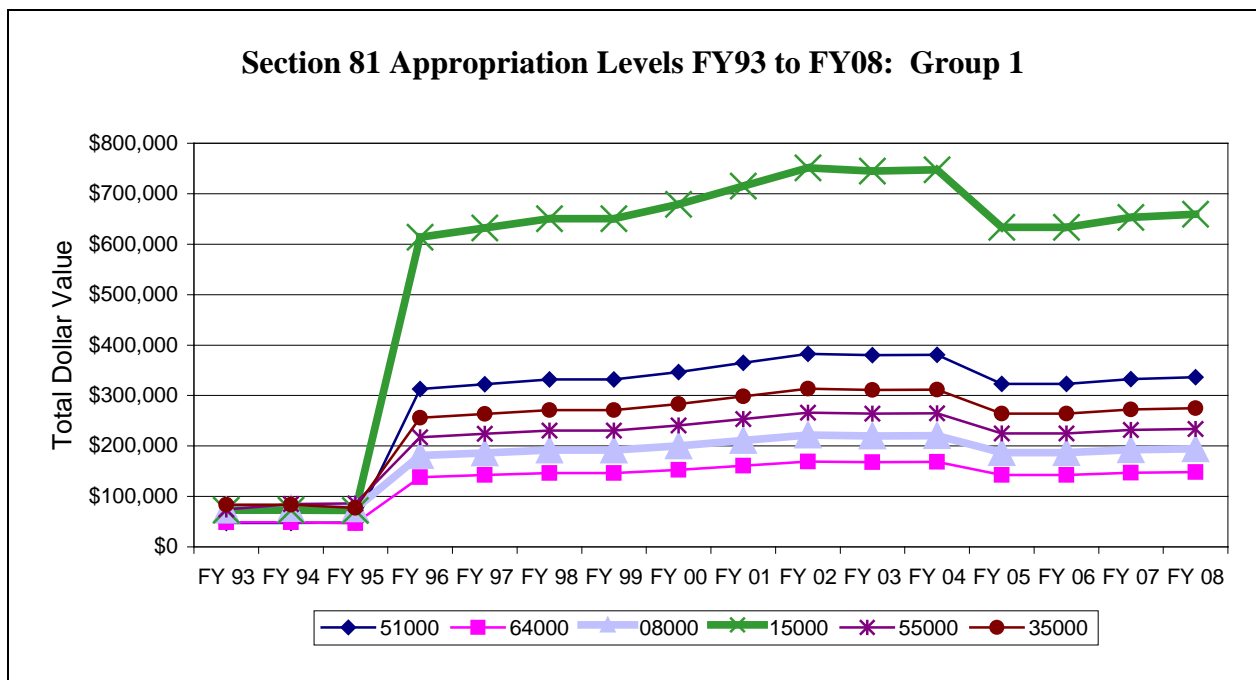


Figure 1

⁶ For the reader who is curious, the relative sizes of ISDs as measured by total pupils have a correlation coefficient of .92 and a coefficient of determination of .85, indicating that approximately 85 per cent of the difference in size in 2007-08 can be explained by the differences in 1995-96

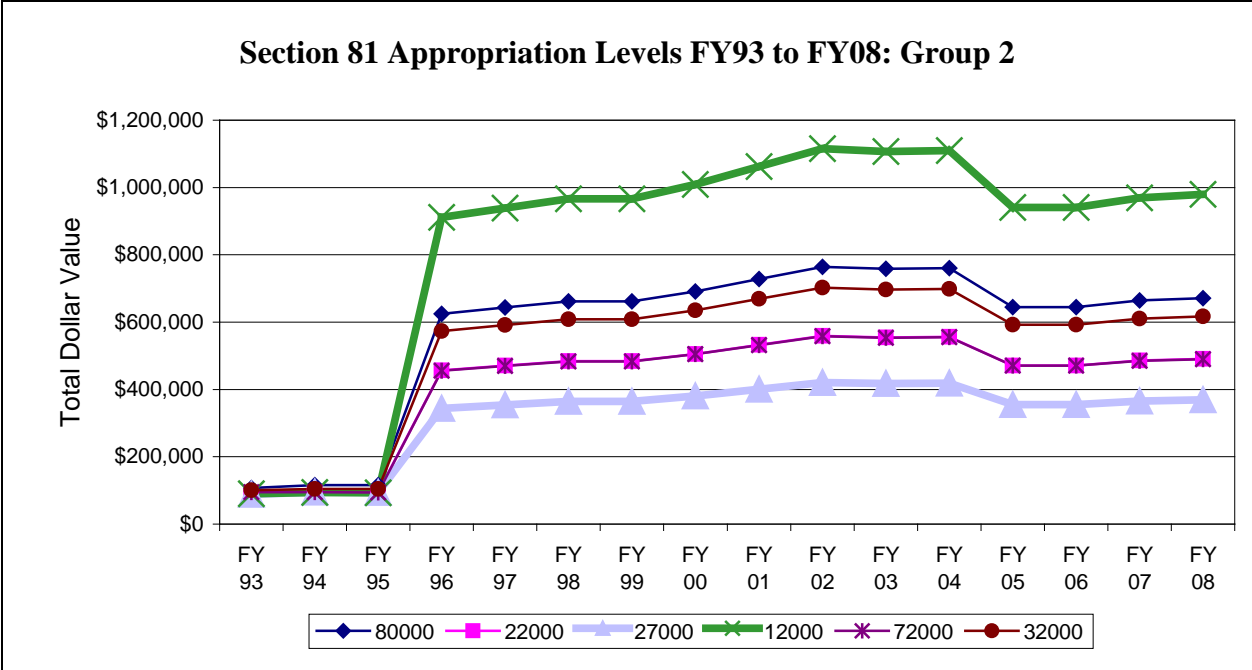


Figure 2

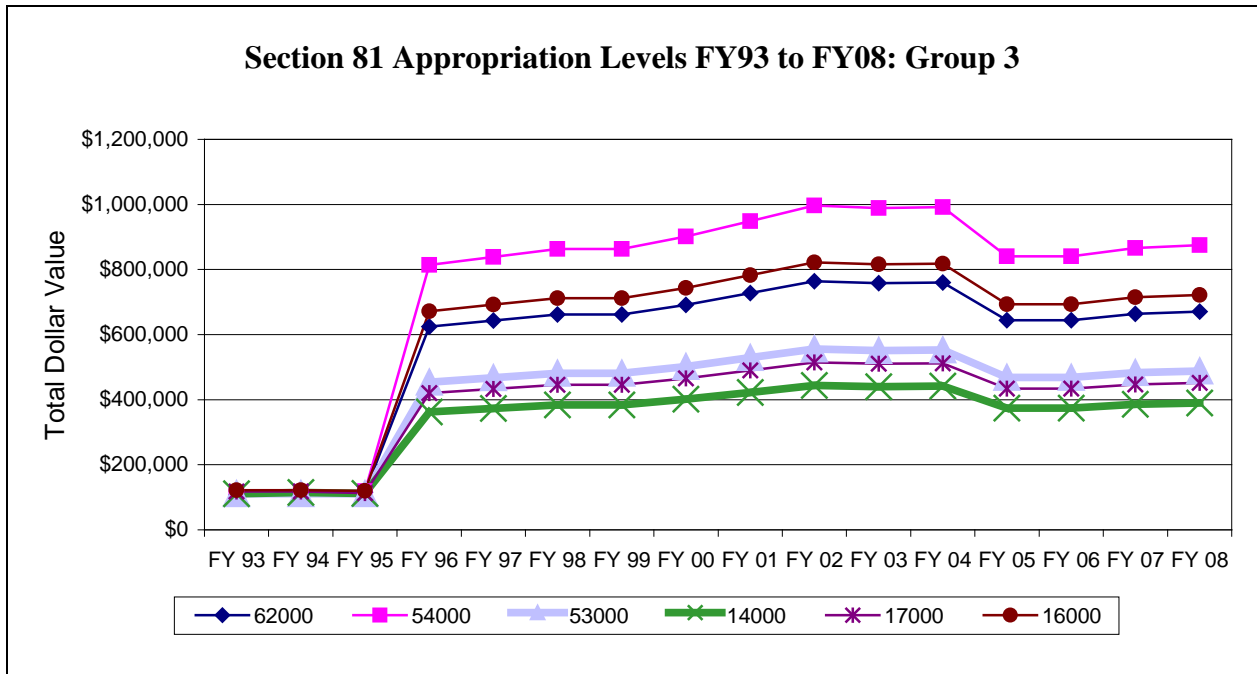


Figure 3

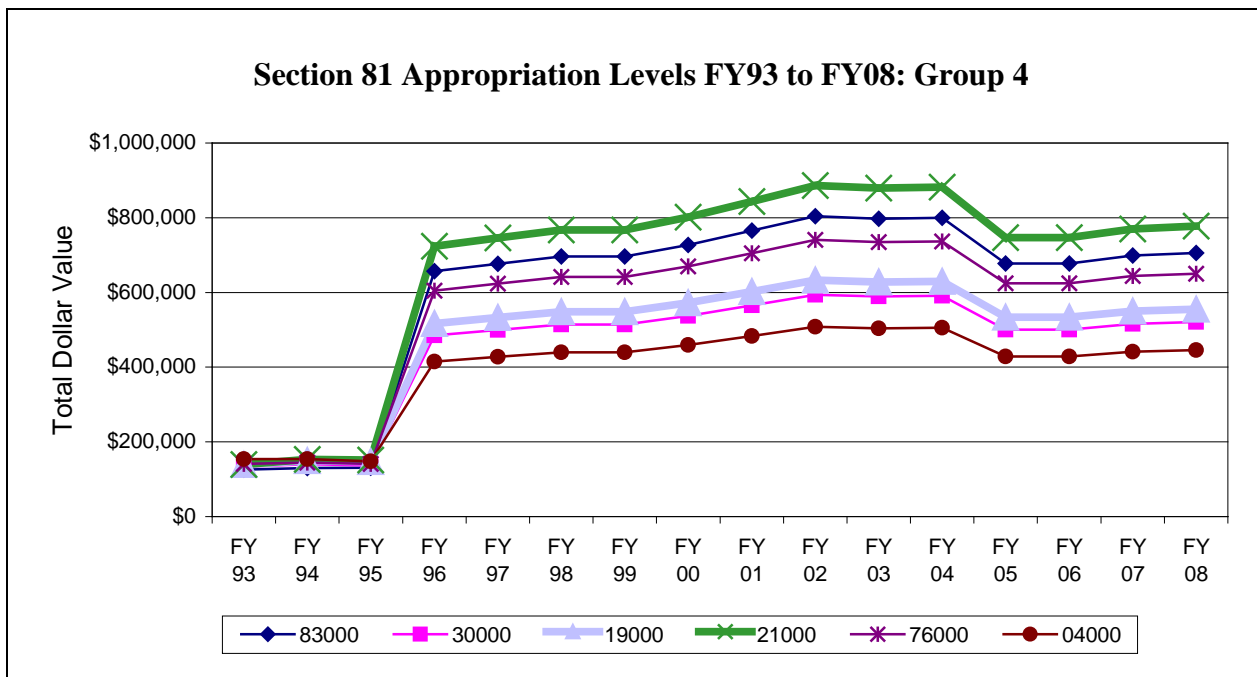


Figure 4

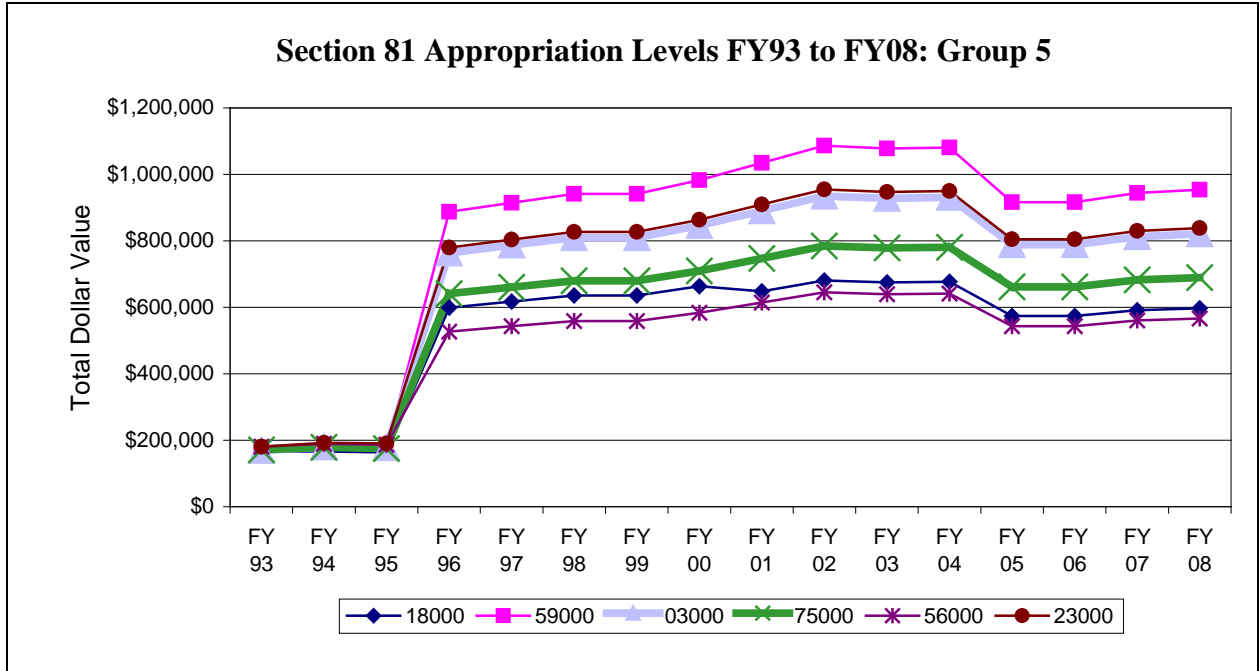


Figure 5

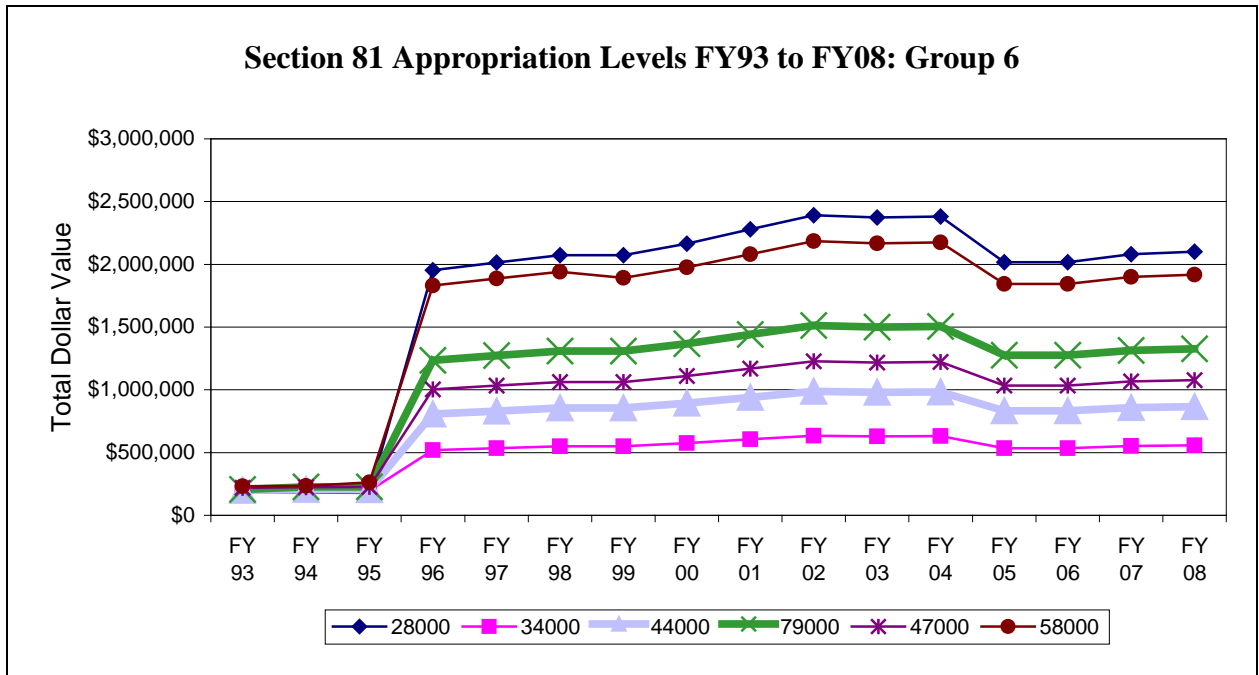


Figure 6

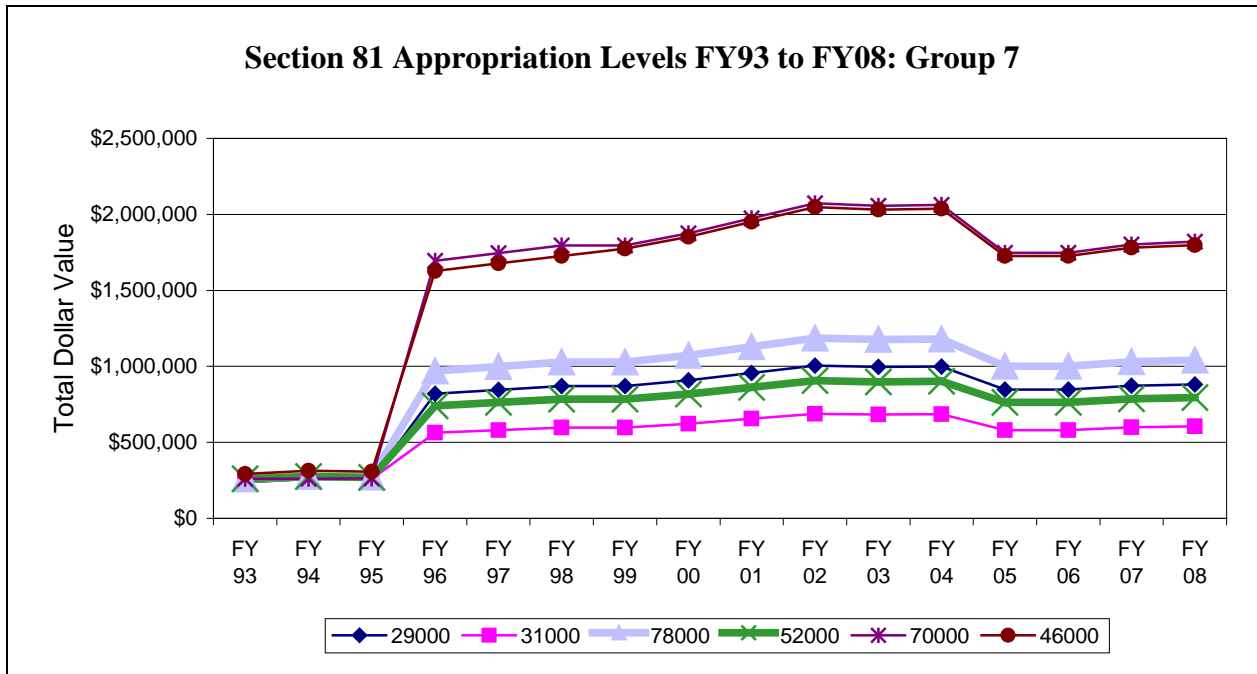


Figure 7

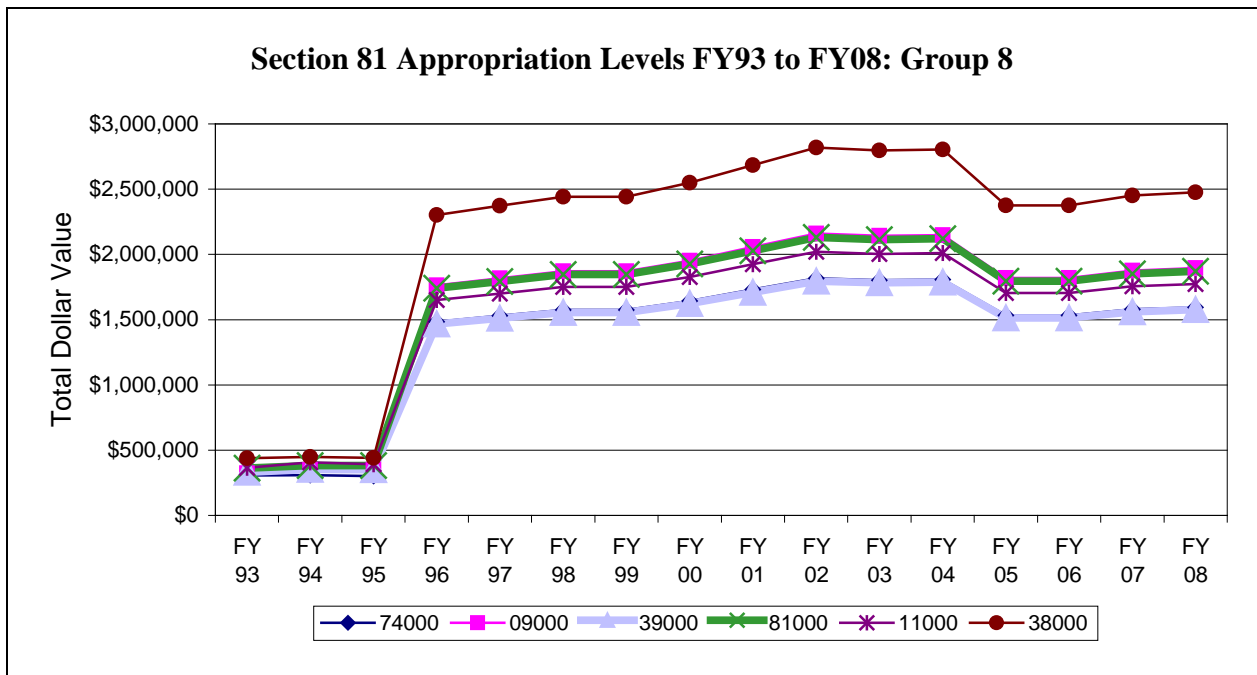


Figure 8

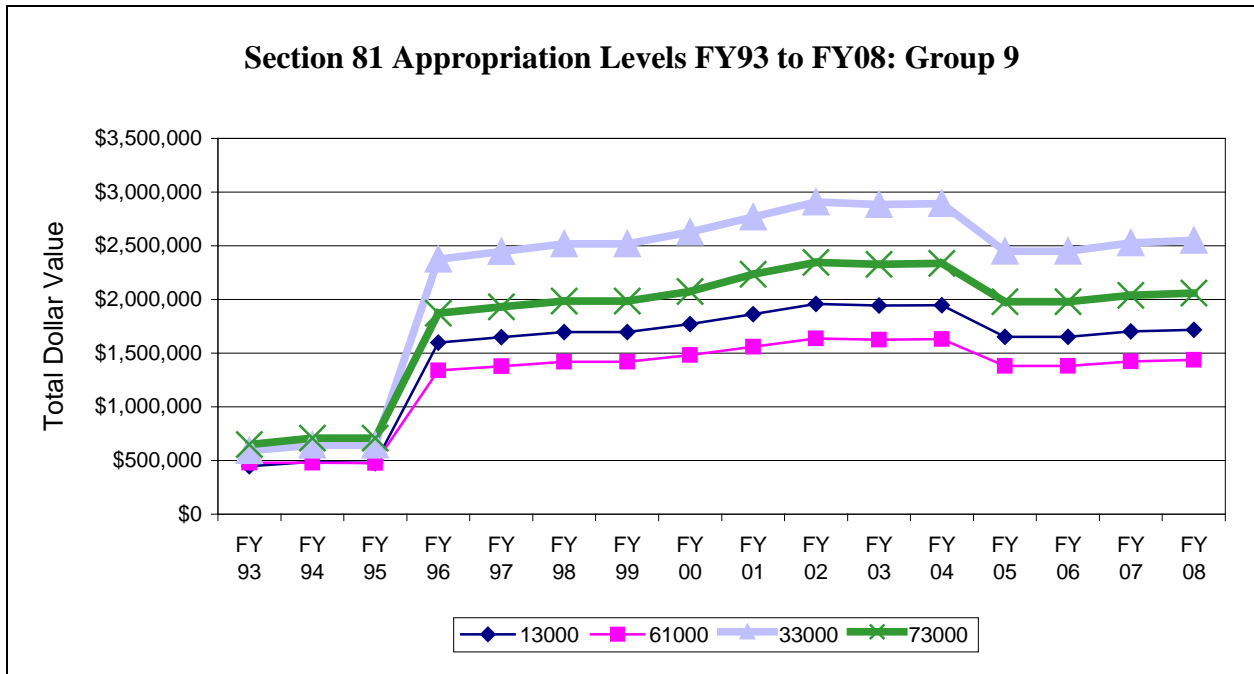


Figure 9

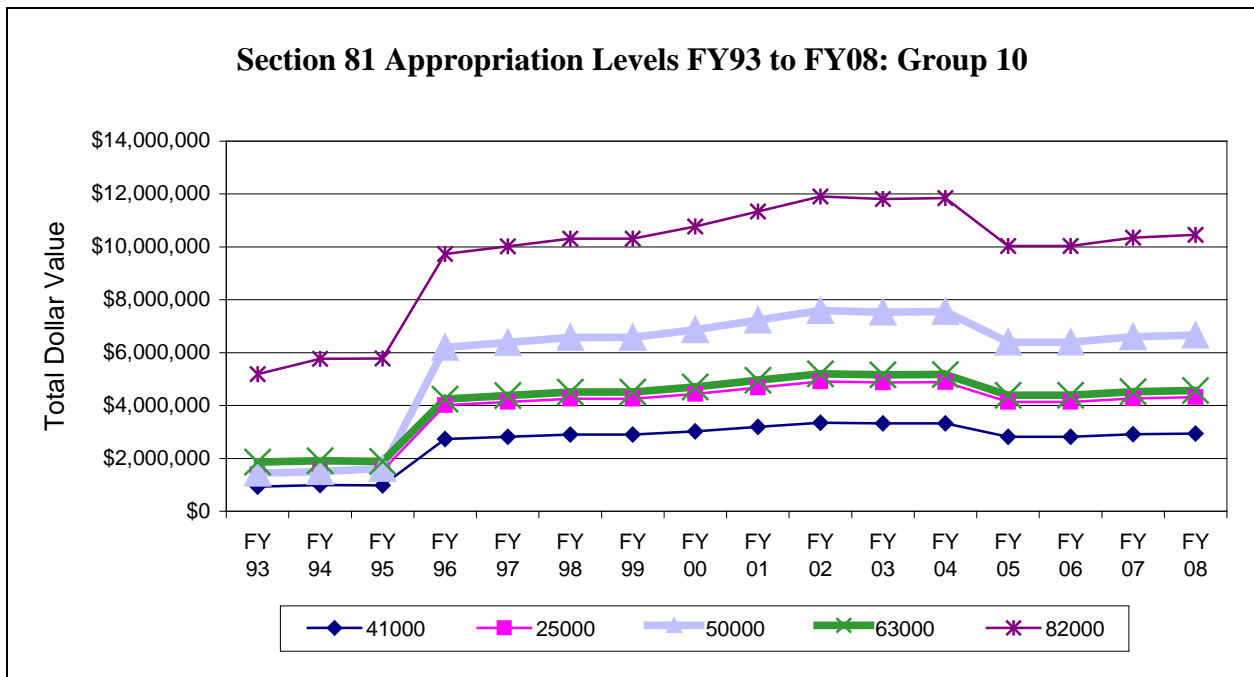


Figure 10

Summary, Analysis, and Conclusions

Proposal A did treat intermediate school districts (ISDs) in a manner similar to, but different from, local districts. Combining a number of funding streams certainly provided a greater degree of fiscal flexibility, comparable to the foundation grants for the local operating districts and public school academies. However, unlike the significant effort of Proposal A to ensure an adequate minimum funding floor, there was no attempt to make a similar change for ISDs.

As this analysis looked further back into the history of ISD funding from the State, this perhaps should not have been a surprise. As noted above in Table 1, while consideration was given to relative property wealth at some points, the common treatment was really to maintain the status quo by limiting increases even in good times, and basing most funding changes on across-the-board changes. For these ISDs, funding seems never to have been correlated with any measure of pupils served.

Meanwhile, time and events have exercised their real world influences and created further differences among the ISDs. Just as with local districts, there were significant differences among intermediates at the time of Proposal A, and other factors have added their sway. The figure below graphically depicts the percentage of change in the value of non-homestead property in each ISD, and the percentage change in total taxable value within each ISD from 1995 to 2008. The dramatic differences, ranging from less than a 50.00% change at one extreme over these 13 years to nearly 200.00% reflect the vagaries of heavy reliance on the property tax as the basis of critical public services.

This degree of change in base resources, combined with growing new demands for services, certainly seems to be building to a situation where ISDs can legitimately argue that it is time to restructure both their missions and their resources.

ISD Property Tax Value Changes FY 1994-95 to 2007-08

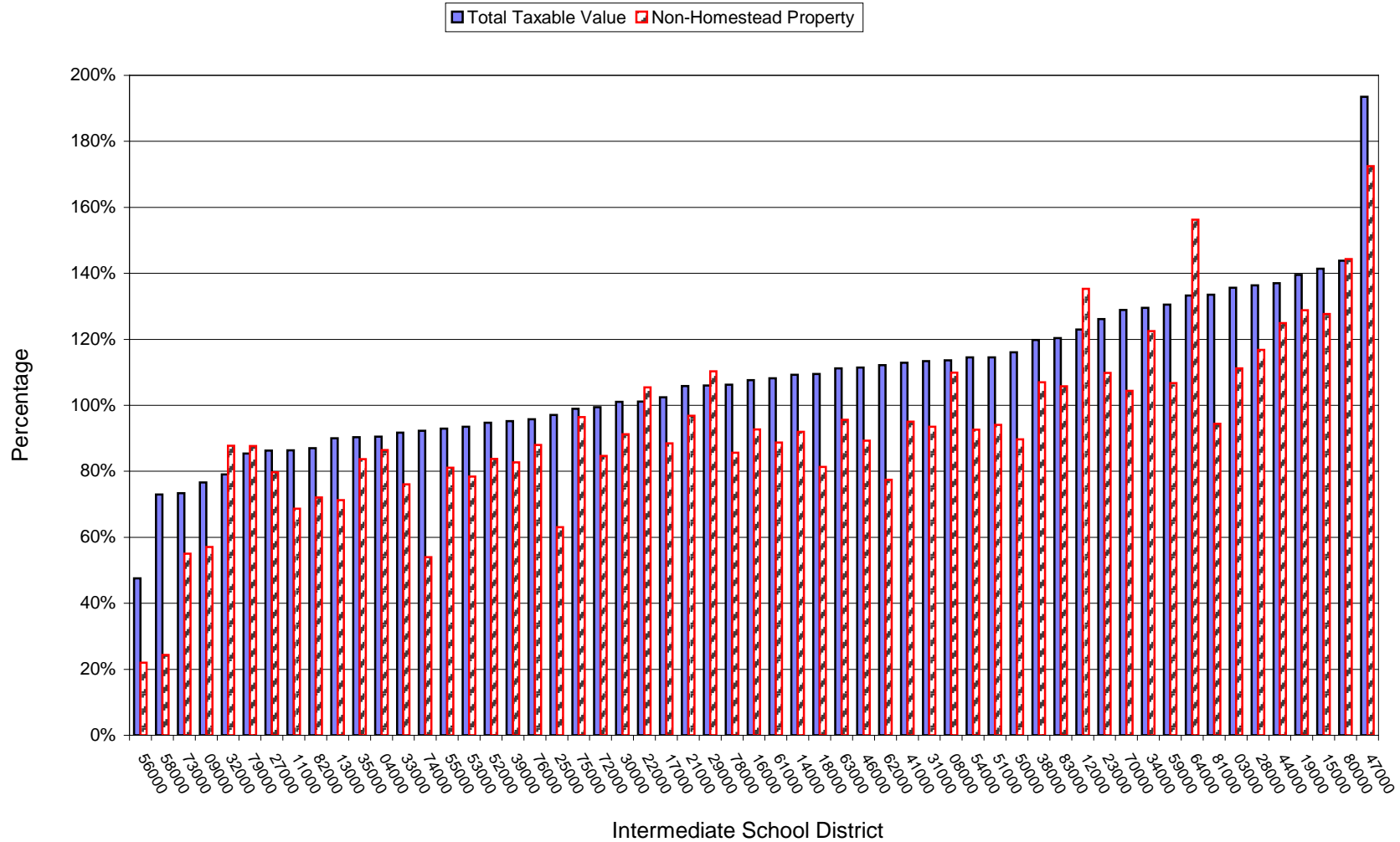


Figure 11

Some districts saw strong growth in total value, implying strong residential property growth. Others saw the reverse. The differences in growth were caused by a variety of circumstances, and some of the factors probably can't be ferreted out without district-by-district analysis, but we know what many of them were. While the overall economy in Michigan was universally weak for much of this period, some areas were dramatically weaker than others. Some maintained growth longer into the period, while others saw more immediate impacts of the continuing pressure on the state economy and especially manufacturing.

Some districts almost certainly were impacted by large new construction and others by assessment appeals on the part of major industrial or commercial property owners. Some saw a high level of residential development as the population moved from central cities and older suburbs to newer more suburban/rural areas.

As Michigan enters yet another year of seemingly unending budget crisis, the prospect for addressing equity in ISDs is not good. Indeed, the more likely experience for the immediate future will be continued pressure to do more with less, to re-examine core missions, to ask ISDs to assume more responsibility for running certain types of programs and for providing a higher level of assistance to local education agencies.

Appendix A: Complete Text of Public Act 283 of 1994 Section 81

388.1681 State aid to intermediate districts; allocation; amounts; report of adjustment and amount of increase; report of expenditures and activities. [M.S.A. 15.1919(981)]

Sec. 81. (1) Subject to subsection (2), from the appropriation in section 11, there is allocated for 1993-94 to the intermediate districts the sum necessary, but not to exceed \$22,950,000.00 for 1993-94, to provide state aid to intermediate districts under this subsection and subsection (2). Subject to subsection (6), there shall be allocated to each intermediate district an amount obtained by adding 104.00% of the prior year's aid received under this subsection before proration and 104.00% of the product of the prior year's state equalized valuation and the prior year's operating millage, and subtracting from that sum the product of the current year's state equalized valuation and the prior year's operating millage. However, an intermediate district shall not receive less than an amount equal to 100.00% of the amount of aid received under this subsection for the immediately preceding state fiscal year.

(2) From the appropriation in section 11, there is allocated for 1993-94 to an intermediate district, formed by the consolidation or annexation of 2 or more intermediate districts or the attachment of a total intermediate district to another intermediate school district or the annexation of all of the constituent K-12 districts of a previously existing intermediate school district which has disorganized, an additional allotment of \$3,500.00 each fiscal year for each intermediate district included in the new intermediate district for 3 years following consolidation, annexation, or attachment.

(3) In addition to the allocation under subsection (1), from the appropriation under section 11, there is allocated for 1993-94 an amount not to exceed \$1,212,800.00 for an additional payment to each intermediate district that had a reduction in the immediately preceding fiscal year in its allocation due to reductions in an intermediate district's state equalized valuation resulting from the resolution of property tax assessment appeals in constituent districts that affected the state equalized valuation in a fiscal year before 1992-93. The additional payment under this subsection shall be in an amount equal to the reduction in the intermediate district's allocation and shall be included in the October payment. This subsection applies only for 1993-94.

(4) Subject to subsection (5), from the appropriation in section 11, there is allocated for 1994-95 to the intermediate districts the sum necessary, but not to exceed \$22,950,000.00 for 1994-95, to provide state aid to intermediate districts under this subsection and subsection (5). Subject to subsection (6), there shall be allocated to each intermediate district an amount obtained by adding 103.00% of the prior year's aid received under this subsection before proration and 103.00% of the product of the prior year's state equalized valuation and the prior year's operating millage, and subtracting from that sum the product of the current year's state equalized valuation and the prior year's operating millage. However, an intermediate district

shall not receive less than an amount per pupil equal to 100.00% of the amount of aid per pupil received under this subsection for the immediately preceding state fiscal year.

(5) From the appropriation in section 11, there is allocated to an intermediate district, formed by the consolidation or annexation of 2 or more intermediate districts or the attachment of a total intermediate district to another intermediate school district or the annexation of all of the constituent K-12 districts of a previously existing intermediate school district which has disorganized, an additional allotment of \$3,500.00 each fiscal year for each intermediate district included in the new intermediate district for 3 years following consolidation, annexation, or attachment.

(6) During a fiscal year, the department shall not increase an intermediate district's allocation under subsection (1) or (4) because of an adjustment made by the department during the fiscal year in the intermediate district's state equalized valuation for a prior year. Instead, the department shall report the adjustment and the estimated amount of the increase to the house and senate fiscal agencies not later than June 1 of the fiscal year, and the legislature shall appropriate money for the adjustment in the next succeeding fiscal year.

(7) From the appropriation in section 11, there is allocated for 1994-95 an amount not to exceed \$6,762,000.00 for payments by the department to intermediate districts for any combination of the following:

- (a) Providing technical assistance to districts for implementation of school quality improvement measures under the school code of 1976, including, but not limited to, implementation of sections 1204a, 1277, 1278, and 1280 of the school code of 1976, being sections 380.1204a, 380.1277, 380.1278, and 380.1280 of the Michigan Compiled Laws.
- (b) Operating regional education media centers under section 671 of the school code of 1976, being section 380.671 of the Michigan Compiled Laws.
- (c) Providing other technical assistance to districts.

(8) The money allocated to intermediate districts under subsection (7) shall be allocated on the same basis as formerly distributed to intermediate districts under former sections 21a, 22, 23b, 46, 48, 83, 91, and 93, and shall be prorated as necessary. Not later than 60 days after the end of a fiscal year in which an intermediate district receives funds under subsection (7), the intermediate district shall submit to the house and senate K-12 appropriations subcommittees, the house and senate fiscal agencies, the department, and the department of management and budget a report of not more than 15 pages listing and describing the intermediate district's expenditures of funds allocated under subsection (7) and the activities for which the funds were expended.

Appendix B: Complete Text of Public Act 130 of 1995 Section 81

Public Act No. 130 of 1995

388.1681 Allocations to intermediate districts; amounts; report of adjustment and amount of increase; employment of person trained in pupil counting; proration of payments. [M.S.A. 15.1919(981)]

Sec.81. (1) Except as otherwise provided in this section, from the appropriation in section 11, there is allocated for 1995-96 to the intermediate districts the sum necessary, but not to exceed \$76,676,300.00 for 1995-96 to provide state aid to intermediate districts under this subsection and subsections (2) and (3). Except as otherwise provided in this section, there shall be allocated to each intermediate district an amount obtained by multiplying the sum of the amount of funding actually received by each intermediate district in 1994-95 under subsections (4) and (7), as in effect for 1994-95, plus 90.00% of the funding actually received by or paid on behalf of each intermediate district in 1994-95 under sections 146a(1) and 147(1), as in effect for 1994-95, times 103.05%. Funding provided under this section shall be used to comply with requirements of this act and the school code of 1976 that are applicable to intermediate districts, and for which funding is not provided elsewhere in this act, and to provide technical assistance to districts as authorized by the intermediate school board.

(2) From the allocation in subsection (1), there is allocated to an intermediate district, formed by the consolidation or annexation of 2 or more intermediate districts or the attachment of a total intermediate district to another intermediate school district or the annexation of all of the constituent K-12 districts of a previously existing intermediate school district which has disorganized, an additional allotment of \$3,500.00 each fiscal year for each intermediate district included in the new intermediate district for 3 years following consolidation, annexation, or attachment.

(3) If an intermediate district participated in 1993-94 in a consortium operating a regional educational media center under section 671 of the school code of 1976, being section 380.671 of the Michigan Compiled Laws, and rules promulgated by the state board, and if the intermediate district obtains written consent from each of the other intermediate districts that participated in the consortium in 1993-94, the intermediate district may notify the department not later than October 1, 1995 that it is electing to directly receive its payment attributable to participation in that consortium. An intermediate district making that election, and that has obtained the necessary consent, shall receive for 1995-96 for each pupil in membership in the intermediate district or a constituent district an amount equal to the quotient of 103.05% of the 1993-94 allocation to the fiscal agent for that consortium under former section 83 divided by the combined total 1995-96 membership in all of the intermediate districts that participated in that consortium and their constituent districts. The amount allocated to an intermediate district under

this subsection for 1995-96 shall be deducted from the total allocation for 1995-96 under this section to the intermediate district that was the 1993-94 fiscal agent for the consortium.

(4) During a fiscal year, the department shall not increase an intermediate district's allocation under subsection (1) because of an adjustment made by the department during the fiscal year in the intermediate district's taxable value for a prior year. Instead, the department shall report the adjustment and the estimated amount of the increase to the house and senate fiscal agencies not later than June 1 of the fiscal year, and the legislature shall appropriate money for the adjustment in the next succeeding fiscal year.

(5) In order to receive funding under this section, an intermediate district shall demonstrate to the satisfaction of the department that the intermediate district employs at least 1 person who is trained in pupil counting procedures, rules, and regulations.

(6) The department shall prorate payments under this section as necessary.

Appendix C: Intermediate School District Name and Code Crosswalk

Table C-1: ISD Names and Codes	
District Code	District Name
Group 1	
51000	Manistee ISD
64000	Oceana Intermediate School District
08000	Barry ISD
15000	Charlevoix-Emmet ISD
55000	Menominee ISD
35000	Iosco RESA
Group 2	
80000	Van Buren ISD
22000	Dickinson-Iron ISD
27000	Gogebic-Ontonagon ISD
12000	Branch ISD
72000	C.O.O.R. ISD
32000	Huron ISD
Group 3	
62000	Newaygo County RESA
54000	Mecosta-Osceola ISD
53000	Mason-Lake ISD
14000	Lewis Cass ISD
17000	Eastern Upper Peninsula ISD
16000	Cheb-Otsego-Presque Isle ESD
Group 4	
83000	Wexford-Missaukee ISD
30000	Hillsdale ISD
19000	Clinton County RESA
21000	Delta-Schoolcraft ISD
76000	Sanilac ISD
04000	Alpena-Montmorency-Alcona ESD
Group 5	
18000	Clare-Gladwin RESD
59000	Montcalm Area ISD
03000	Allegan Area Educational Service Agency
75000	St. Joseph County ISD
56000	Midland County ESA
23000	Eaton ISD

Table C-1: ISD Names and Codes	
District Code	District Name
Group 6	
28000	Traverse Bay Area ISD
34000	Ionia ISD
44000	Lapeer ISD
79000	Tuscola ISD
47000	Livingston ESA
58000	Monroe ISD
Group 7	
29000	Gratiot-Isabella RESD
31000	Copper Country ISD
78000	Shiawassee Regional ESD
52000	Marquette-Alger RESA
70000	Ottawa Area ISD
46000	Lenawee ISD
Group 8	
74000	St. Clair County RESA
09000	Bay-Arenac ISD
39000	Kalamazoo R.E.S.A.
81000	Washtenaw ISD
11000	Berrien ISD
38000	Jackson ISD
Group 9	
13000	Calhoun ISD
61000	Muskegon Area ISD
33000	Ingham ISD
73000	Saginaw ISD
Group 10	
41000	Kent ISD
25000	Genesee ISD
50000	Macomb ISD
63000	Oakland Schools
82000	Wayne RESA

Appendix D: Calculations Used to Determine Amounts Added to ISD Section 81 for FICA and Retirement

Table D-1: Calculations Used to Determine Amounts Added to ISD Section 81 for FICA and Retirement

District Code	District Name	FY 95 FICA Payments	Reduced by 10% 90%	FY 95 Tot Non-Fed Non-PSL Wages	9.2100% Contribution Rate MPSERS	Reduced to 90 % of Contribution	Combined FICA/Ret @ 90 %
03000	Allegan Area Educational Service Agency	\$198,327.32	\$178,494.59	\$3,181,694.79	\$293,034.09	\$263,730.68	\$442,225.27
04000	Alpena-Montmorency-Alcona ESD	\$117,420.42	\$105,678.38	\$1,759,817.05	\$162,079.15	\$145,871.24	\$251,549.61
08000	Barry ISD	\$45,655.95	\$41,090.36	\$715,952.63	\$65,939.24	\$59,345.31	\$100,435.67
09000	Bay-Arenac ISD	\$557,541.40	\$501,787.26	\$8,158,282.34	\$751,377.80	\$676,240.02	\$1,178,027.28
11000	Berrien ISD	\$476,260.45	\$428,634.41	\$7,458,705.21	\$686,946.75	\$618,252.07	\$1,046,886.48
12000	Branch ISD	\$367,435.91	\$330,692.32	\$5,558,854.12	\$511,970.46	\$460,773.42	\$791,465.74
13000	Calhoun ISD	\$405,270.59	\$364,743.53	\$6,506,651.18	\$599,262.57	\$539,336.32	\$904,079.85
14000	Lewis Cass ISD	\$97,663.26	\$87,896.93	\$1,777,231.75	\$163,683.04	\$147,314.74	\$235,211.67
15000	Charlevoix-Emmet ISD	\$228,910.07	\$206,019.06	\$3,647,058.19	\$335,894.06	\$302,304.65	\$508,323.72
16000	Cheb-Otsego-Presque Isle ESD	\$170,678.87	\$153,610.98	\$2,418,825.58	\$222,773.84	\$200,496.45	\$354,107.44
17000	Eastern Upper Peninsula ISD	\$104,778.41	\$94,300.57	\$1,550,580.50	\$142,808.46	\$128,527.62	\$222,828.19
18000	Clare-Gladwin RESD	\$131,546.57	\$118,391.91	\$2,044,270.10	\$188,277.28	\$169,449.55	\$287,841.46
19000	Clinton County RESA	\$124,264.72	\$111,838.25	\$1,818,899.15	\$167,520.61	\$150,768.55	\$262,606.80
21000	Delta-Schoolcraft ISD	\$180,442.87	\$162,398.58	\$2,504,978.30	\$230,708.50	\$207,637.65	\$370,036.23
22000	Dickinson-Iron ISD	\$149,270.78	\$134,343.70	\$2,461,626.12	\$226,715.77	\$204,044.19	\$338,387.89
23000	Eaton ISD	\$277,965.35	\$250,168.82	\$3,799,550.27	\$349,938.58	\$314,944.72	\$565,113.54
25000	Genesee ISD	\$928,853.31	\$835,967.98	\$14,329,074.36	\$1,319,707.75	\$1,187,736.97	\$2,023,704.95
27000	Gogebic-Ontonagon ISD	\$65,673.14	\$59,105.83	\$998,924.73	\$92,000.97	\$82,800.87	\$141,906.70
28000	Traverse Bay Area ISD	\$686,536.27	\$617,882.64	\$10,516,423.15	\$968,562.57	\$871,706.31	\$1,489,588.96
29000	Gratiot-Isabella RESD	\$192,318.27	\$173,086.44	\$2,817,519.83	\$259,493.58	\$233,544.22	\$406,630.66
30000	Hillsdale ISD	\$161,810.95	\$145,629.86	\$2,237,842.65	\$206,105.31	\$185,494.78	\$331,124.63
31000	Copper Country ISD	\$109,994.92	\$98,995.43	\$1,560,511.45	\$143,723.10	\$129,350.79	\$228,346.22
32000	Huron ISD	\$169,371.94	\$152,434.75	\$2,805,205.28	\$258,359.41	\$232,523.47	\$384,958.21
33000	Ingham ISD	\$687,000.16	\$618,300.14	\$10,364,287.25	\$954,550.86	\$859,095.77	\$1,477,395.91
34000	Ionia ISD	\$134,948.68	\$121,453.81	\$2,244,014.99	\$206,673.78	\$186,006.40	\$307,460.21
35000	Iosco RESA	\$73,714.84	\$66,343.36	\$1,170,810.39	\$107,831.64	\$97,048.47	\$163,391.83
38000	Jackson ISD	\$822,516.58	\$740,264.92	\$11,347,372.91	\$1,045,093.05	\$940,583.74	\$1,680,848.66

Table D-1: Calculations Used to Determine Amounts Added to ISD Section 81 for FICA and Retirement

District Code	District Name	FY 95 FICA Payments	Reduced by 10% 90%	FY 95 Tot Non-Fed Non-PSL Wages	9.2100% Contribution Rate MPSERS	Reduced to 90 % of Contribution	Combined FICA/Ret @ 90 %
39000	Kalamazoo R.E.S.A.	\$429,662.50	\$386,696.25	\$5,702,966.99	\$525,243.26	\$472,718.93	\$859,415.18
41000	Kent ISD	\$581,246.96	\$523,122.26	\$9,397,877.18	\$865,544.49	\$778,990.04	\$1,302,112.30
44000	Lapeer ISD	\$278,427.33	\$250,584.60	\$3,962,925.57	\$364,985.44	\$328,486.90	\$579,071.50
46000	Lenawee ISD	\$566,232.26	\$509,609.03	\$9,025,056.92	\$831,207.74	\$748,086.97	\$1,257,696.00
47000	Livingston ESA	\$318,074.51	\$286,267.06	\$5,329,844.32	\$490,878.66	\$441,790.80	\$728,057.85
50000	Macomb ISD	\$1,840,848.71	\$1,656,763.84	\$29,198,828.65	\$2,689,212.12	\$2,420,290.91	\$4,077,054.75
51000	Manistee ISD	\$85,388.86	\$76,849.97	\$1,262,624.91	\$116,287.75	\$104,658.98	\$181,508.95
52000	Marquette-Alger RESA	\$162,353.20	\$146,117.88	\$1,966,240.83	\$181,090.78	\$162,981.70	\$309,099.58
53000	Mason-Lake ISD	\$137,421.98	\$123,679.78	\$2,354,108.29	\$216,813.37	\$195,132.04	\$318,811.82
54000	Mecosta-Osceola ISD	\$257,406.38	\$231,665.74	\$3,894,274.23	\$358,662.66	\$322,796.39	\$554,462.13
55000	Menominee ISD	\$55,345.70	\$49,811.13	\$906,747.07	\$83,511.41	\$75,160.26	\$124,971.39
56000	Midland County ESA	\$121,585.22	\$109,426.70	\$2,235,472.63	\$205,887.03	\$185,298.33	\$294,725.02
58000	Monroe ISD	\$644,192.80	\$579,773.52	\$9,655,278.78	\$889,251.18	\$800,326.06	\$1,380,099.58
59000	Montcalm Area ISD	\$242,746.33	\$218,471.70	\$3,997,947.68	\$368,210.98	\$331,389.88	\$549,861.58
61000	Muskegon Area ISD	\$347,613.65	\$312,852.29	\$4,845,505.03	\$446,271.01	\$401,643.91	\$714,496.20
62000	Newaygo County RESA	\$242,242.68	\$218,018.41	\$3,277,211.41	\$301,831.17	\$271,648.05	\$489,666.47
63000	Oakland Schools	\$847,491.87	\$762,742.68	\$11,970,027.30	\$1,102,439.51	\$992,195.56	\$1,754,938.25
64000	Oceana Intermediate School District	\$38,981.71	\$35,083.54	\$627,890.09	\$57,828.68	\$52,045.81	\$87,129.35
70000	Ottawa Area ISD	\$542,727.20	\$488,454.48	\$8,555,041.71	\$787,919.34	\$709,127.41	\$1,197,581.89
72000	C.O.O.R. ISD	\$165,872.46	\$149,285.21	\$2,301,409.46	\$211,959.81	\$190,763.83	\$340,049.04
73000	Saginaw ISD	\$375,475.81	\$337,928.23	\$6,182,174.47	\$569,378.27	\$512,440.44	\$850,368.67
74000	St. Clair County RESA	\$472,213.91	\$424,992.52	\$6,723,015.19	\$619,189.70	\$557,270.73	\$982,263.25
75000	St. Joseph County ISD	\$188,646.26	\$169,781.63	\$3,209,145.99	\$295,562.35	\$266,006.11	\$435,787.75
76000	Sanilac ISD	\$158,871.23	\$142,984.11	\$2,419,678.47	\$222,852.39	\$200,567.15	\$343,551.26
78000	Shiawassee Regional ESD	\$281,182.82	\$253,064.54	\$4,911,354.38	\$452,335.74	\$407,102.16	\$660,166.70
79000	Tuscola ISD	\$418,504.34	\$376,653.91	\$6,132,206.14	\$564,776.19	\$508,298.57	\$884,952.47
80000	Van Buren ISD	\$501,093.32	\$450,983.99	\$7,944,647.83	\$731,702.07	\$658,531.86	\$1,109,515.85
81000	Washtenaw ISD	\$519,826.07	\$467,843.46	\$7,166,813.25	\$660,063.50	\$594,057.15	\$1,061,900.61
82000	Wayne RESA	\$1,435,748.05	\$1,292,173.25	\$19,235,529.25	\$1,771,592.24	\$1,594,433.02	\$2,886,606.26

Table D-1: Calculations Used to Determine Amounts Added to ISD Section 81 for FICA and Retirement

District Code	District Name	FY 95 FICA Payments	Reduced by 10% 90%	FY 95 Tot Non-Fed Non-PSL Wages	9.2100% Contribution Rate MPSERS	Reduced to 90 % of Contribution	Combined FICA/Ret @ 90 %
83000	Wexford-Missaukee ISD	\$237,403.87	\$213,663.48	\$3,400,981.47	\$313,230.39	\$281,907.35	\$495,570.84
Total		\$20,160,999.99	\$18,144,899.99	\$303,547,789.76	\$27,956,751.44	\$25,161,076.29	\$43,305,976.28
Source: Base data from Michigan Department of Education. Calculations by Public Policy Associates, Inc., 2009.							

Appendix E: Section 81 Formula Provisions

Table E-1: Section 81 Formula Provisions

Fiscal Year	Public Act No. & Year	Sec 81 Amount	Section 81 "Formula"	Sec 81 Minimum Guarantee
			Shaded cells show significant change in "formula" from prior year.	
2008	PA 137 of 2007	\$80,912,000	101.00% of 2006-07	NA
2007	PA 6 of 2007	\$80,110,900	103.10% of 2005-06	NA
2007	PA 342 of 2006	\$80,110,900	103.10% of 2005-06	NA
2006	PA 155 of 2005	\$77,702,100	100.00% of PA 351 amount excluding allocation to Sec 32j	NA
2005	PA 351 of 2004	\$81,028,100	85.20% of 2003-04 in PA 521----BUT---req'd to allocate 3.50% of these funds to Sec 32j "Great Parents Great Start"	
2004-B	PA 158 of 2003	\$91,702,100	96.50% of 2002-03	NA
2004-A	PA 521 of 2002	\$95,028,100	103.10% of 2001-02	NA
2003-D	PA 521 of 2002	\$95,028,100	103.10% of 2001-02	NA
2003-C	PA 191 of 2002	\$95,028,100	103.10% of 2001-02	NA
2003-B	PA 121 of 2001	\$95,028,100	103.10% of 2001-02	NA
2003-A	PA 297 of 2000	\$95,028,100	103.10% of 2001-02	NA
2002-D	PA 521 of 2002	\$92,170,800	105.00% of 2000-01	NA
2002-C	PA 191 of 2002	\$92,170,800	105.00% of 2000-01	NA
2002-B	PA 121 of 2001	\$92,170,800	105.00% of 2000-01	NA
2002-A	PA 297 of 2000	\$92,170,800	105.00% of 2000-01	NA
2001-C	PA 121 of 2001	\$87,781,700	105.30% of 1999-00	NA
2001-B	PA 297 of 2000	\$87,781,700	105.30% of 1999-00	NA
2001-A	PA 119 of 1999	\$85,616,600	102.90% of 1999-00	NA
2000-D	PA 297 of 2000	\$83,363,400	104.40% of 1998-99	NA
2000-C	PA 119 of 1999	\$83,203,700	104.20% of 1998-99	NA
2000-B	PA 553 of 1998	\$82,644,800	103.50% of sum of 1998-99 and 1999-97 former 11b	NA
2000-A	PA 339 of 1998	\$82,620,800	103.50% of sum of 1998-99 and 1999-97 former 11b	NA
1999-D	PA 119 of 1999	\$79,850,000	Amount equal to that received in 1997-98	NA
1999-C	PA 553 of 1998	\$79,912,000	102.90% of sum of 1996-97 and 1995-96 former 11b	NA
1999-B	PA 339 of 1998	\$79,912,000	\$\$ appropriated, but FY 1998-99 allocation language omitted from this act.	NA

Table E-1: Section 81 Formula Provisions

Fiscal Year	Public Act No. & Year	Sec 81 Amount	Section 81 "Formula"	Sec 81 Minimum Guarantee
1999-A	PA 142 of 1997	\$81,266,700	102.90% of sum of 1996-97 and 1995-96 former 11b	NA
1998-D	PA 553 of 1998	\$81,266,700	102.90% of sum of 1996-97 and 1995-96 former 11b	NA
1998-C	PA 339 of 1998	\$81,266,700	102.90% of sum of 1996-97 and 1995-96 former 11b	NA
1998-B	PA 142 of 1997	\$81,266,700	102.90% of sum of 1996-97 and 1995-96 former 11b	NA
1998-A	PA 93 of 1997	\$81,266,700	102.90% of sum of 1996-97 and 1995-96 former 11b	NA
1997	PA 300 of 1996	\$76,676,300	Amount equal to 1995-96 before late year supplemental of \$2.3 million provided by PA 372 of 1996.	Effectively PA 372's \$2.3 M was a 96-97 supplemental.
1996-B	PA 372 of 1996	\$2,300,000	Act #, year, and FY are correct. Late year supp. Funding of \$2.3 was in the "former" Sec 11b.	\$\$ allocated in same proportion as PA 130
1996-A	PA 130 of 1995	\$76,676,300	(100.00% of 1994-95 Sec 81 plus 90.00% FICA, Ret.via Secs146 and 147) *103.5%	
1995-B	PA 283 of 1994	\$22,950,000	103.00% pr yr state + (103.00% pr yr SEV * pr yr mills less curr yr SEV * pr yr mills)	Not less than 100 % of 1993-94 state aid per pupil
1995-A	PA 336 of 1993	\$22,950,000	103.00% pr yr state + (103.00% pr yr SEV * pr yr mills less curr yr SEV * pr yr mills)	Not less than 100 % of 1993-94 state aid per pupil
1994-C	PA 283 of 1994	\$22,950,000	104.00% pr yr state + (104.00% pr yr SEV * pr yr mills less curr yr SEV * pr yr mills)	Not less than 100 % of 1992-93 state aid per pupil
1994-B	PA 336 of 1993	\$22,950,000	104.00% pr yr state + (104.00% pr yr SEV * pr yr mills less curr yr SEV * pr yr mills)	Not less than 100 % of 1992-93 state aid per pupil
1994-A	PA 175 of 1993	\$22,950,000	104.00% pr yr state + (104.00% pr yr SEV * pr yr mills less curr yr SEV * pr yr mills)	Not less than 100 % of 1992-93 state aid per pupil
1993	PA 148 of 1992	\$22,850,000	102.00% pr yr state + (102.00% pr yr SEV * pr yr mills less curr yr SEV * pr yr mills)	Not less than 100 % of 1991-92 state aid per pupil
1992	PA 118 of 1991	\$22,850,000	104.00% pr yr state + (104.00% pr yr SEV * pr yr mills less curr yr SEV * pr yr mills)	Not less than 100 % of 1990-91 state aid per pupil
1991	PA 207 of 1990	\$22,300,000	105.00% pr yr state + (105.00% pr yr SEV * pr yr mills less curr yr SEV * pr yr mills)	Not less than 100 % of 1989-90 state aid per pupil
1990-B	PA 235 of 1989	\$21,714,200	No change except max size of arts instruction grants increased from 10 K to 25 K	Not less than 100 % of 1988-89 state aid per pupil
1990-A	PA 197 of 1989	\$21,714,200	105.30% pr yr state + (105.30% pr yr SEV * pr yr mills less curr yr SEV * pr yr mills)	Not less than 100 % of 1988-89 state aid per pupil
1989	PA 318 of 1988	\$21,418,000	102.50% pr yr state + (102.50% pr yr SEV * pr yr mills less curr yr SEV * pr yr mills)	Not less than 100 % of 1987-88 state aid per pupil
1988-B	PA 220 of 1987	\$20,594,000	103.50% pr yr state + (103.50% pr yr SEV * pr yr mills less curr yr SEV * pr yr mills)	Not less than 100 % of 1986-87 state aid per pupil
1988-A	PA 128 of 1987	\$20,594,000	103.50% pr yr state + (103.50% pr yr SEV * pr yr mills less curr yr SEV * pr yr mills)	Not less than 100 % of 1986-87 state aid per pupil
1987	PA 21 of 1986	\$19,920,000	105.30% pr yr state + (105.30% pr yr SEV * pr yr mills less curr yr SEV * pr yr mills)	Not less than 100 % of 1985-86 state aid per pupil

Table E-1: Section 81 Formula Provisions

Fiscal Year	Public Act No. & Year	Sec 81 Amount	Section 81 "Formula"	Sec 81 Minimum Guarantee
1986	PA 110 of 1985	\$18,500,000	107.70% pr yr state + (107.70% pr yr SEV * pr yr mills less curr yr SEV * pr yr mills)	Not less than 100 % of 1984-85 state aid per pupil
1985	PA 239 of 1984	\$16,425,000	106.00% pr yr state + (106.00% pr yr SEV * pr yr mills less curr yr SEV * pr yr mills)	Not less than 100 % of 1983-84 state aid per pupil
1984	PA 169 of 1983	\$14,962,000	106.00% pr yr state + (106.00% pr yr SEV * pr yr mills less curr yr SEV * pr yr mills)	Not less than 100 % of 1982-83 state aid per pupil
1983	PA 276 of 1982*	\$13,764,000	*105.80% of pr yr state + (105.80% pr SEV * pr op mill) - (curr SEV * pr mills)	Not less than 100 % of 1981-82
1982-B	PA 113 of 1981	\$13,764,000	\$12.40 * (ISD Pupils+LEA Pupils), less .1mill on SEV	Not less than greater of: 105.0% of (1) [105 % prior state pp +{ 105 % prior sev/pp & pr yr mills} less {curr yr sev / pp and pr yr mills}]local , or (2)100 % of prior year state
1982-A	PA 36 of 1981	\$13,764,000	\$12.40 * (ISD Pupils+LEA Pupils), less .1mill on SEV	Not less than greater of: 105.0% of (1) [105 % prior state pp +{ 105 % prior sev/pp & pr yr mills} less {curr yr sev / pp and pr yr mills}]local , or (2)100 % of prior year state
1981	PA 320 of 1980	\$13,200,000	Amount = to .96 * 1980	
1980	PA 94 of 1979	\$14,200,000	\$10.64 * ISD Pupils+LEA Pupils, less .1mill on SEV	Not less than greater of: 105.5% of (1) prior state + local less current sev * pr yr mills; or, (2) 105.5 % of pr yr state 81
1979	PA 404 of 1978	\$13,200,000	\$10.00 * (ISD Pupils+LEA Pupils), less .12 mill on SEV	Not less than greater of: 105.5% of (1) prior state + local less current sev * pr yr mills; or, (2) 105.5 % of pr yr state 81
1978	PA 90 of 1977	\$12,048,000	\$9.35 * (ISD Pupils+LEA Pupils), less .14 mill on SEV	Not less than greater of: 105.5% of (1) prior yr 81 + pr 144(2) + pr yr local, or (2) 105.5 % of pr yr 81 + pr yr 144(2) of 258 of 1972
1977	PA 258 of 1976	\$10,700,000	\$8.75 * (ISD Pupils+LEA Pupils), less .16 mill on SEV	Not less than 2 % increase; not more than \$1.50/ pp increase.
1976-B	PA 20 of 1976	\$10,100,000	Sec 81; # pupils in constituent districts * \$8.87; less .18 mills on SEV or actual levy if less; not less than 2% incr; not more than \$1.50 pp increase	Not less than 2 % increase; not more than \$1.50/ pp increase.
1976-A	Veto PA 261 of 1975		5 Yr Approp Vetoed	\$11M 75-76; \$12.3 76-77; \$13.5 77-78; \$14.7 78-79; \$16.2 79-80--VETO

Table E-1: Section 81 Formula Provisions

Fiscal Year	Public Act No. & Year	Sec 81 Amount	Section 81 "Formula"	Sec 81 Minimum Guarantee
1975	PA 242 of 1974	\$10,100,000	Sec 81; # pupils in constituent districts * \$9.00; less .2 mills on SEV or actual levy if less.	Not less than 10 % increase; not more than \$1.50 / pp increase
1974	PA 101 of 1973*	\$8,350,000	*Sec 81; # pupils in constituent districts * \$8.00; less .2 mills on SEV or actual levy if less.	Not less than 10 % increase; not more than \$1.50 / pp increase
1973	PA 258 of 1972	\$6,400,000	Sec 82; Alloc by portion of tot aid received by member distr pr yr	Not less than 50 % of an ISD's approved budget
1972-B	PA 134 of 1971	\$5,500,000	Tot of \$6.0 M: Alloc by portion of tot aid received by member districts pr yr	Not less than 50 % of an ISD's approved budget
1972-A	PA 100 of 1970	\$400,000	Beg 1971-72 for districts operating data processing services on service basis in coop with a local district-Sec 16a(5)	
1971	PA 100 of 1970	\$4,500,000	Alloc by portion of tot aid received by member districts pr yr	Not less than 50 % of an ISD's approved budget
	* Structural change in formula from previous practice.			