



Senate Fiscal Agency  
P.O. Box 30036  
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BILL ANALYSIS

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**Senate Bill 801 (S-1):  
FY 2016-17 Education Omnibus Appropriation Bill**

**Bill Page Nos.**

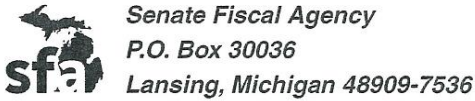
- Article I – School Aid (S.B. 796) ..... 1 - 295
- Article II – Community Colleges (S.B. 784) ..... 295 - 322
- Article III – Higher Education (S.B. 790) ..... 322 – 361

Date Completed: 5-4-16

| <b>Education Omnibus Appropriation Bill<br/>Senate Bill 801 (S-1)</b> |   |   |
|---|---|---|
| <b>Department/Budget Area</b>   | <b>FY 2016-17<br/>Gross<br/>Appropriation</b> | <b>FY 2016-17<br/>GF/GP<br/>Appropriation</b> |
| Community Colleges .....  | \$399,025,600                                 | \$138,610,800                                 |
| Higher Education.....   | 1,599,807,200                                 | 1,262,418,500                                 |
| School Aid K-12 .....   | 14,107,112,300                                | 226,000,000                                   |
| <b>Total Education Omnibus Appropriations.....</b>                    | <b>\$16,105,945,100</b>                       | <b>\$1,627,029,300</b>                        |

| <b>General Omnibus Appropriation Bill<br/>Senate Bill 800 (S-1)</b> |   |   |
|---|---|---|
| <b>Department/Budget Area</b>                                       | <b>FY 2016-17<br/>Gross<br/>Appropriation</b> | <b>FY 2016-17<br/>GF/GP<br/>Appropriation</b> |
| Agriculture and Rural Development .....                             | \$93,091,300                                  | \$49,536,900                                  |
| Attorney General .....  | 97,085,800                                    | 41,040,500                                    |
| Civil Rights .....  | 16,746,900                                    | 13,519,700                                    |
| Corrections .....   | 2,020,807,400                                 | 1,969,457,900                                 |
| Education .....   | 321,709,200                                   | 80,381,300                                    |
| Environmental Quality .....   | 513,499,400                                   | 47,686,400                                    |
| Executive .....   | 5,636,300                                     | 5,636,300                                     |
| Health and Human Services .....                                     | 24,783,861,400                                | 4,350,767,400                                 |
| Insurance and Financial Services .....                              | 66,307,200                                    | 150,000                                       |
| Judiciary .....   | 297,411,400                                   | 188,334,800                                   |
| Legislative Auditor General .....                                   | 23,451,900                                    | 15,923,900                                    |
| Legislature.....  | 142,753,600                                   | 138,077,800                                   |
| Licensing and Regulatory Affairs .....                              | 419,538,200                                   | 45,813,200                                    |
| Military and Veterans Affairs .....                                 | 176,710,200                                   | 57,643,600                                    |
| Natural Resources .....   | 398,154,100                                   | 39,810,000                                    |
| State .....   | 238,915,600                                   | 27,109,600                                    |
| State Police .....  | 662,556,500                                   | 415,743,200                                   |
| Talent and Economic Development .....                               | 1,141,680,500                                 | 169,275,100                                   |
| Technology, Management, and Budget .....                            | 1,316,141,300                                 | 500,468,200                                   |
| Transportation .....  | 4,025,203,600                                 | 10,400,000                                    |
| Treasury-Debt Service .....   | 137,037,000                                   | 137,037,000                                   |
| Treasury-Operations .....   | 519,001,600                                   | 98,408,900                                    |
| Treasury-Revenue Sharing .....                                      | 1,255,955,300                                 | 246,400                                       |
| <b>Total General Omnibus Appropriations.....</b>                    | <b>\$38,673,255,700</b>                       | <b>\$8,402,468,100</b>                        |

|   | <b>FY 2016-17<br/>Gross<br/>Appropriation</b> | <b>FY 2016-17<br/>GF/GP<br/>Appropriation</b> |
|---|---|---|
| <b>TOTAL EDUCATION/GENERAL APPROPRIATIONS</b> | <b>\$54,779,200,800</b>                       | <b>\$10,029,497,400</b>                       |



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Senate Bill 801 (S-1 as passed by the Senate)  
Committee: Appropriations

| FULL-TIME EQUATED (FTE) CLASSIFIED<br>POSITIONS/FUNDING SOURCE | FY 2015-16<br>YEAR-TO-DATE | FY 2016-17<br>SENATE-PASSED | CHANGES FROM<br>FY 2015-16 YEAR-TO-DATE |              |
|--|----------------------------|-----------------------------|---|--------------|
|  |                            |                             | AMOUNT                                  | PERCENT      |
| FTE Positions .....  | N/A                        | N/A                         | 0.0                                     | 0.0          |
| <b>GROSS</b> .....   | <b>13,900,654,300</b>      | <b>14,107,112,300</b>       | <b>206,458,000</b>                      | <b>1.5</b>   |
| Less:  |                            |                             |   |              |
| Interdepartmental Grants Received.....                         | 0                          | 0                           | 0                                       | 0.0          |
| <b>ADJUSTED GROSS</b> .....                                    | <b>13,900,654,300</b>      | <b>14,107,112,300</b>       | <b>206,458,000</b>                      | <b>1.5</b>   |
| Less:  |                            |                             |   |              |
| Federal Funds .....  | 1,775,769,200              | 1,818,632,700               | 42,863,500                              | 2.4          |
| Local and Private.....   | 0                          | 0                           | 0                                       | 0.0          |
| <b>TOTAL STATE SPENDING</b> .....                              | <b>12,124,885,100</b>      | <b>12,288,479,600</b>       | <b>163,594,500</b>                      | <b>1.3</b>   |
| Less:  |                            |                             |   |              |
| Other State Restricted Funds .....                             | 12,078,985,100             | 12,062,479,600              | (16,505,500)                            | (0.1)        |
| <b>GENERAL FUND/GENERAL PURPOSE</b> .....                      | <b>45,900,000</b>          | <b>226,000,000</b>          | <b>180,100,000</b>                      | <b>392.4</b> |
| <b>PAYMENTS TO LOCALS</b> .....                                | <b>11,967,255,600</b>      | <b>12,127,646,200</b>       | <b>160,390,600</b>                      | <b>1.3</b>   |

**FY 2015-16 Year-to-Date Gross Appropriation ..... \$13,900,654,300**

**Changes from FY 2015-16 Year-to-Date:**

1. **Foundation Allowance.** Governor and Senate recommended a \$150.0 million GF/GP increase in foundation allowance funding to provide increases ranging from \$60 to \$120. In addition, Senate provided a \$300 per-pupil foundation allowance incentive for districts that consolidated using the grant process under Section 22g of the budget (\$900,000 cost). 150,900,000
2. **MPSERS Rate Cap.** Governor and Senate recommended an \$89.3 million increase in the statutory rate cap for the Michigan Public School Employees' Retirement System (MPSERS). 89,300,000
3. **Detroit Schools' Foundation Allowance.** Governor included \$72.0 million to pay the additional foundation allowance costs that would arise if the existing 18-mill property tax levy (currently paying a portion of the district's foundation allowance) is diverted to pay off debt. Governor also proposed to earmark Tobacco Settlement dollars into a Detroit Public Schools (DPS) Trust Fund, which would be used to pay for this School Aid cost. Senate did not include. 0
4. **State Special Education Funding.** Governor and Senate included an increase of \$54.5 million for estimated costs in special education. 54,500,000
5. **Federal Grants.** Governor and Senate included an increase of \$42.9 million in Federal funds. 42,863,500
6. **Flint Declaration of Emergency.** Governor and Senate included \$10.1 million GF/GP to provide Early On, Great Start Readiness Program, school nurses, school social workers, and other staff and materials for Flint Schools and Genesee Intermediate School District (ISD). This is an estimate for one-half of the year's costs, with the other one-half proposed to be set aside in FY 2015-16 for future use. 10,142,600
7. **Career and Technical Education (CTE) Equipment Upgrades.** Governor and Senate included a new \$10.0 million GF/GP program to provide equipment upgrades at CTE centers. 10,000,000

|   |               |
|---|---------------|
| 8. <b>Educator Evaluations.</b> Governor included \$10.0 million to provide reimbursement to districts for costs associated with educator evaluations. Senate included a \$100 placeholder.   | 100           |
| 9. <b>Water Testing in Schools.</b> Governor included \$9.0 million in a new categorical to provide reimbursement to districts that voluntarily choose to test water for lead levels. Total estimated cost statewide is \$27.0 million, with \$9.0 million recommended in a supplemental for FY 2015-16, and \$9.0 million anticipated for FY 2017-18, if necessary. Senate did not include.  | 0             |
| 10. <b>State School Reform Office (SRO).</b> Governor and Senate included \$5.0 million to provide additional financial resources to districts with schools placed under the oversight of the SRO due to chronically low-performing status, and to provide funding for chief executive officers who have been appointed to take control of one or more schools in the district.   | 5,000,000     |
| 11. <b>Nonpublic School Mandates.</b> Senate added \$5.0 million GF/GP to reimburse nonpublic schools for costs associated with State mandates.   | 5,000,000     |
| 12. <b>CTE Early/Middle College.</b> Governor increased funding to reimburse for costs associated with establishing or operating CTE early/middle colleges, from \$10.0 million to \$15.0 million. Senate did not concur, and instead maintained funding at \$10.0 million.   | 0             |
| 13. <b>Consolidation Innovation Grants.</b> Governor maintained funding at \$5.0 million. Senate increased funding by \$1.5 million and established a new process for consolidation grants.   | 1,500,000     |
| 14. <b>Integrated Behavior and Learning Support (MiBLSi).</b> Governor and Senate funded a new program designed to decrease disruptive classroom behaviors and increase reading skills.   | 1,370,000     |
| 15. <b>ISD Operations.</b> Governor and Senate increased ISD funding by 1.6% to match the proposed increase in the foundation allowance, costing \$1.1 million.   | 1,074,000     |
| 16. <b>Pupil Membership Blend Change.</b> Governor recommended placing a higher weight on the prior February and a lower weight on the current September count (from 90/10 to 50/50). Senate moved the pupil weighting to a 75/25 blend and added another \$1.3 million.  | 2,300,000     |
| 17. <b>Partnership between ISD and Health Department.</b> Senate added \$500,000 to support the costs of a partnership between the Van Buren ISD and the local health department for CTE programs.  | 500,000       |
| 18. <b>Other New Programs.</b> Senate included \$500,000 GF/GP for the support of local produce in schools; \$175,000 for a partnership between a district and an early learning collaborative exploring early childhood education benefits for three-year-olds; \$500,000 for an innovative educational pipeline program; \$100,000 GF/GP for a provider of restaurant management and culinary skills; a \$100 placeholder for an online algebra instruction tool; and a \$100 placeholder for gifted and talent programs.   | 1,275,200     |
| 19. <b>Other Increases.</b> Governor and Senate recommended a \$1.0 million increase in cash flow borrowing costs, a \$1.25 million increase for science, technology, engineering, and math- (STEM) related activities, a \$500,000 increase for FIRST Robotics, \$390,000 for increased Promise Zone reimbursements, and \$128,300 for increased Payments in Lieu of Taxes (PILT) reimbursement. Senate added \$210,000 for the Department of Military and Veterans Affairs Youth Challenge Academy, and added \$1.0 million for the 33 existing math and science centers. | 4,478,300     |
| 20. <b>Technical Foundation Allowance Cost Adjustments.</b> Governor and Senate included savings of \$126.7 million related to adjustments in pupils and taxable values.  | (126,700,000) |
| 21. <b>Technology Grants.</b> Governor and Senate eliminated funding for technology grants since FY 2015-16 was the last scheduled year for these payments, designed to ensure districts were able to switch to online assessments.   | (23,500,000)  |
| 22. <b>Reductions in other Programs' Costs.</b> Governor reduced funding to align with projected costs in the following areas: Renaissance Zone reimbursements (\$6.3 million), school breakfasts (\$3.1 million), strict discipline and dropout recovery (\$1.5 million), and educational costs associated with the closure of Maxey (\$0.9 million). Senate concurred, but restored the cuts to strict discipline academies and dropout recovery programs (\$1.5 million).  | (10,313,800)  |
| 23. <b>State Assessments.</b> Governor reduced funding for State assessments which was used to provide paper and pencil options while districts converted to online learning, and to eliminate funding for the kindergarten entry assessment. Senate concurred, but then added \$1.1 million for a digital literacy initiative and \$250,000 for support of the kindergarten entry assessment.  | (8,757,600)   |

|   |                         |
|---|-------------------------|
| 24. <b>Shared Time Full-Time Equated (FTE) Cap.</b> Governor proposed capping the amount of a shared-time FTE that could be counted for reimbursement at one-third; Senate capped the amount at 0.5 FTE. Senate recognized savings associated with this change of \$5.0 million.  | (5,000,000)             |
| 25. <b>Elimination of Programs.</b> Governor eliminated funding for the following programs: updates of teacher certification tests (\$1.8 million GF/GP) because they have been completed; gang prevention and intervention funding (\$1.0 million); elimination of Michigan Education Corps funding (\$1.0 million); Parents University pilot project (\$1.0 million) because it was one-time; early literacy teacher test (\$500,000) because it was one-time; cooperative education grant (\$300,000); and Civics Education (\$60,000). Senate restored funding to the Michigan Education Corps (\$1.0 million), cooperative education (\$300,000), and Civics and Education (\$60,000). | (4,300,000)             |
| 26. <b>Computer Adaptive Test.</b> Governor eliminated funding to reimburse districts for the purchase of computer adaptive tests. Senate funded at \$9.5 million, an increase of \$5.5 million over current-year funding levels.   | 5,500,000               |
| 27. <b>College and Career Readiness Outreach.</b> Governor and Senate reduced outreach funding for career and college readiness from \$600,000 to \$50,000.   | (550,000)               |
| 28. <b>Michigan Virtual University.</b> Senate reduced General Fund funding from \$7.4 million to \$7.0 million.  | (387,500)               |
| 29. <b>Economic Adjustments.</b> Includes \$58,680 Gross and \$46,500 GF/GP for OPEB and \$204,520 Gross and \$159,700 GF/GP for other economic adjustments.  | 263,200                 |
| 30. <b>Comparison to Governor's Recommendation.</b> The Senate is \$75,999,800 Gross and \$4,000,000 GF/GP under the Governor.  |                         |
| <b>Total Changes</b> .....  | \$206,458,000           |
| <b>FY 2016-17 Senate-Passed Gross Appropriation</b> .....   | <b>\$14,107,112,300</b> |

**Boilerplate Changes from FY 2015-16 Year-to-Date:**

1. **Definitions - Community District.** Senate added a definition for a "community district", and included a community district in the definition for purposes of State aid. (Sec. 3)
2. **Definitions - General Educational Development (GED).** Governor and Senate recommended replacing references to GED testing with GED, the test assessing secondary completion (TASC), the HISET test, or another comparable test, and also replaced GED certificate with high school equivalency certificate. (Sections 4, 6(4)(m), and 107)
3. **Pupil Membership Blend.** Governor changed the pupil membership blend from a 90% weight on the current September count plus 10% on the prior February count to 50/50. Senate changed the blend to a 72/25. (Sec. 6(4))
4. **Shared Time/Nonpublic Pupils.** Governor proposed language such that a nonpublic part-time pupil enrolled in grades 1 to 12 be counted for not more than one-third of an FTE. Senate concurred, but set the cap at one-half of an FTE. (Sec. 6(4)(gg))
5. **Reporting of Financial Data.** Governor and Senate proposed language requiring that financial data be consistent with audited statements, and allowed the withholding of State aid if the data are not consistent with the audit. (Sec. 18)
6. **Statewide Standard Reporting.** Governor deleted legislative intent to implement statewide standard reporting requirements for education data approved by the Department along with the Center for Educational Performance and Information (CEPI). Senate retained the language and removed the "intent" designation, requiring districts to implement the standardized reporting beginning with FY 2017-18. (Sec. 19)
7. **Consolidation Foundation Allowance Incentive.** Senate added a foundation allowance adjustment for consolidations. Any district consolidating using the process under Sec. 22g would get a \$300 per-pupil bonus for two years. (Sec. 20)
8. **Dissolved District Debt.** Senate included language stating the intent of the Legislature that the outstanding debt of Buena Vista be paid out of the work project set up for Saginaw ISD at the time of dissolution. (Sec. 20g)

9. **Enrollment in Virtual Courses.** Governor included numerous changes to the section prescribing policies and procedures for districts enrolling students in virtual courses, including allowing districts to deny enrollment in an online course if a pupil is in kindergarten through fifth grade. Senate concurred in the majority of the changes. (Sec. 21f)
10. **Expansion of Consolidation Incentive Grants.** Governor included language allowing consolidation incentive grants (appropriated at \$5.0 million) also to be used for dissolutions that occur on or after June 1, 2016. Senate increased to \$6.5 million and restructured the grant program into a three-step process: 1) feasibility study; 2) grants for transition costs during the process (after a study indicating feasibility); and, 3) any remaining transition costs. (Sec. 22g)
11. **Pupil Transfer Process.** Governor deleted a section allowing districts to get funding from the original enrolling district for students who enroll after the fall count day and before the spring count day. Senate retained the section. (Sec. 25e)
12. **Great Start Readiness Program.** Governor and Senate included a change from "children" to "slots" to ensure that each ISD receives at least as many slots as in the prior year unless fewer children are actually in need. Senate further changed the cap and structure for administrative spending (to be 4.0% for ISDs, with sub-recipient spending for administration counted in program costs). Senate removed children served only in Head Start programs from counting toward meeting 30% threshold. (Sec. 32d)
13. **Removal of Penalty Intent Language in Special Education.** Governor removed legislative intent language that stated the intent to penalize districts, charters, or ISDs 10.0% of their State aid payment for failure to comply with a requirement that the resident district/ISD is responsible for special education services provided to a resident pupil who is enrolled in a charter school located in a different ISD. Senate retained the penalty, removed "intent". (Sec. 51a(15))
14. **Career and Technical Education.** Governor and Senate added language allowing for CTE early/middle college funding to also be provided to programs that receive funding under Section 61a for allowable costs not reimbursed under that section, which provides for "traditional" CTE funding to districts. In addition, Senate added language allowing for grants to be made under the section for planning, development, and expansion of these programs. (Sec. 61b)
15. **Voluntary Water Testing.** Governor included a section providing payment to districts for voluntary water testing. Senate did not include.
16. **MiSTEM Programs.** Governor included language allocating funds for the purpose of funding Michigan science, technology, engineering, and math (MiSTEM) based on recommendations of the MiSTEM advisory council, and if the council is unable to make specific funding recommendations by March 1, 2016, the Department is directed to distribute the funds on a competitive grant basis. Senate restructured by earmarking some of the funds for specific purposes, and extending the deadline to June 1, 2016 for the Council to make specific grant recommendations. (Sec. 99s)
17. **District Scorecard.** Senate added language requiring the Department to work with CEPI to identify the number of kids enrolled at the time of the State assessment, and use that to determine participation on the scorecard. (Sec. 104)
18. **Kindergarten Entry Assessment (KEA).** Governor removed the required field testing of the KEA, and replaced the entry assessment with assessments in the fall and spring for English language arts and math. Senate amended the language to require the State to provide the KEA to districts who are interested in using it, and required the Department to field test a Kindergarten Readiness Assessment. (Sections 104 and 104c)
19. **Adult Education.** Governor changed eligibility definitions in this section, such that the individual can be enrolled in an adult basic education program, an adult secondary education program, an adult English as a second language program, a high school equivalency test preparation program, or a high school completion program, and the individual must either be at least age 20 or be defined as an "out-of-school youth". The payment cap of \$2,850 per full-time equivalent participant also was removed, as was language allowing a participant to be enrolled in a job- or employment-related adult education program operated on a year-round basis. The Governor also proposed a change to the funding formula, striking the 80% enrollment/20% completion formula and replacing with a formula that uses statewide allocation criteria, three-year averaging of actual enrollments, census data, local needs, participant completion of adult basic education objectives, participant completion of core indicators, and allowable expenditures. Senate did not concur, and instead implemented a freeze on the planned phase-in of a new funding formula. (Sec. 107)
20. **Nonpublic Pupils.** Governor added clarification that school aid can be provided only for courses that are offered *and being provided* to pupils in the district during regularly scheduled school hours. Senate did not include, and also added a requirement for the Department to clarify which courses are electives and which are "core" courses. (Sec. 166)

Date Completed: 5-4-16

Fiscal Analyst: Kathryn Summers

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberation.

**FY 2015-16 Year-to-Date and Revised Governor's Recommendation,  
Governor's, Senate-Passed, and House-Passed Recommendations for FY 2016-17 (Dollars in Thousands)**

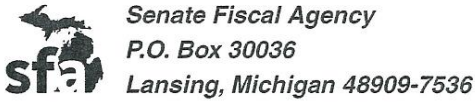
| <b>Line Item Description</b>  | <b>Public Act 85<br/>Initial Approps<br/>FY 2015-16</b> | <b>Revised Rec<br/>FY 2015-16<br/>02/10/2016</b> | <b>Governor's<br/>Budget<br/>FY 2016-17</b> | <b>Difference from<br/>FY 2015-16<br/>Enacted</b> | <b>Senate<br/>Passed<br/>05/04/2016</b> | <b>Difference<br/>from FY 2015-16<br/>Enacted</b> | <b>Difference<br/>from FY 2016-17<br/>Gov's Rec</b> | <b>House<br/>Passed<br/>04/26/2016</b> | <b>Difference<br/>from FY 2015-16<br/>Enacted</b> | <b>Difference<br/>from FY 2016-17<br/>Gov's Rec</b> |
|---|---|--|---|---|---|---|---|--|---|---|
| Sec. 11j School Bond Loan Fund Payments - Debt Service                | \$126,500.0   | \$99,500.0                                       | \$126,500.0                                 | \$0.0   | \$126,500.0                             | \$0.0   | \$0.0   | \$126,500.0                            | \$0.0   | \$0.0   |
| Sec. 11m Cash Flow Borrowing Costs                                    | \$2,000.0   | \$2,000.0  | \$3,000.0                                   | \$1,000.0   | \$3,000.0                               | \$1,000.0   | \$0.0   | \$3,000.0                              | \$1,000.0   | \$0.0   |
| Sec. 11s Flint Declaration of Emergency - NEW                         | \$0.0   | \$9,200.0  | \$10,142.6                                  | \$10,142.6  | \$10,142.6                              | \$10,142.6  | \$0.0   | \$10,142.6                             | \$10,142.6  | \$0.0   |
| Sec. 20f Categorical Offset Payments                                  | \$18,000.0  | \$18,000.0                                       | \$18,000.0                                  | \$0.0   | \$27,000.0                              | \$9,000.0   | \$9,000.0   | \$18,000.0                             | \$0.0   | \$0.0   |
| Sec. 20g Student Transition Grants in Dissolved Districts             | \$2,200.0   | \$2,200.0  | \$2,200.0                                   | \$0.0   | \$2,200.0                               | \$0.0   | \$0.0   | \$2,200.0                              | \$0.0   | \$0.0   |
| Sec. 21 State School Reform/Redesign - NEW                            | \$0.0   | \$1,000.0  | \$5,000.0                                   | \$5,000.0   | \$5,000.0                               | \$5,000.0   | \$0.0   | \$0.1                                  | \$0.1   | (\$4,999.9)   |
| Sec. 21g Competency-Based Funding Pilot - NEW                         | \$0.0   | \$0.0  | \$0.0                                       | \$0.0   | \$0.0                                   | \$0.0   | \$0.0   | \$1,000.0                              | \$1,000.0   | \$1,000.0   |
| Sec 22a Proposal A Obligation Payment                                 | \$5,281,700.0   | \$5,255,000.0                                    | \$5,206,000.0                               | (\$75,700.0)                                      | \$5,202,300.0                           | (\$79,400.0)                                      | (\$3,700.0)   | \$5,218,500.0                          | (\$63,200.0)                                      | \$12,500.0  |
| Sec. 22b Discretionary Payment - State                                | \$3,728,000.0   | \$3,690,000.0                                    | \$3,900,000.0                               | \$172,000.0                                       | \$3,819,900.0                           | \$91,900.0  | (\$80,100.0)  | \$3,900,000.0                          | \$172,000.0                                       | \$0.0   |
| Sec. 22d Isolated Districts Funding                                   | \$5,000.0   | \$5,000.0  | \$5,000.0                                   | \$0.0   | \$5,000.0                               | \$0.0   | \$0.0   | \$5,000.0                              | \$0.0   | \$0.0   |
| Sec. 22g Consolidation Innovation Grants                              | \$5,000.0   | \$5,000.0  | \$5,000.0                                   | \$0.0   | \$6,500.0                               | \$1,500.0   | \$1,500.0   | \$5,000.0                              | \$0.0   | \$0.0   |
| Sec. 22i Technology Infrastructure and iSchool                        | \$23,500.0  | \$23,500.0                                       | \$0.0                                       | (\$23,500.0)                                      | \$0.0                                   | (\$23,500.0)                                      | \$0.0   | \$0.0                                  | (\$23,500.0)                                      | \$0.0   |
| Sec. 24 Court-Placed Pupils   | \$8,000.0   | \$8,000.0  | \$8,000.0                                   | \$0.0   | \$8,000.0                               | \$0.0   | \$0.0   | \$8,000.0                              | \$0.0   | \$0.0   |
| Sec. 24a Juvenile Detention Facilities                                | \$2,189.8   | \$1,301.0  | \$1,328.1                                   | (\$861.7)   | \$1,328.1                               | (\$861.7)   | \$0.0   | \$1,328.1                              | (\$861.7)   | \$0.0   |
| Sec. 24c Challenge Program  | \$1,497.4   | \$1,497.4  | \$1,522.4                                   | \$25.0  | \$1,732.4                               | \$235.0   | \$210.0   | \$1,522.4                              | \$25.0  | \$0.0   |
| Sec. 25f Strict Discipline Academies                                  | \$1,000.0   | \$1,000.0  | \$250.0                                     | (\$750.0)   | \$1,000.0                               | \$0.0   | \$750.0   | \$250.0                                | (\$750.0)   | \$0.0   |
| Sec. 25g Dropout Recovery   | \$1,000.0   | \$1,000.0  | \$250.0                                     | (\$750.0)   | \$1,000.0                               | \$0.0   | \$750.0   | \$250.0                                | (\$750.0)   | \$0.0   |
| Sec. 26a Renaissance Zone Costs                                       | \$26,300.0  | \$20,000.0                                       | \$20,000.0                                  | (\$6,300.0)                                       | \$20,000.0                              | (\$6,300.0)                                       | \$0.0   | \$20,000.0                             | (\$6,300.0)                                       | \$0.0   |
| Sec. 26b PILT Reimbursement   | \$4,276.8   | \$4,276.8  | \$4,405.1                                   | \$128.3   | \$4,405.1                               | \$128.3   | \$0.0   | \$4,405.1                              | \$128.3   | \$0.0   |
| Sec. 26c Promise Zone   | \$610.0   | \$278.0  | \$1,000.0                                   | \$390.0   | \$1,000.0                               | \$390.0   | \$0.0   | \$1,000.0                              | \$390.0   | \$0.0   |
| Sec. 31a "At Risk" Pupil Support                                      | \$378,988.2   | \$378,988.2                                      | \$378,988.2                                 | \$0.0   | \$378,988.2                             | \$0.0   | \$0.0   | \$396,988.2                            | \$18,000.0  | \$18,000.0  |
| Sec. 31a Child and Adolescent Health Centers                          | \$5,557.3   | \$5,557.3  | \$5,557.3                                   | \$0.0   | \$5,557.3                               | \$0.0   | \$0.0   | \$5,557.3                              | \$0.0   | \$0.0   |
| Sec. 31a Vision/Hearing Screening                                     | \$5,150.0   | \$5,150.0  | \$5,150.0                                   | \$0.0   | \$5,150.0                               | \$0.0   | \$0.0   | \$5,150.0                              | \$0.0   | \$0.0   |
| Sec. 31b Year-Round Schools Grants - NEW                              | \$0.0   | \$0.0  | \$0.0                                       | \$0.0   | \$0.0                                   | \$0.0   | \$0.0   | \$3,500.0                              | \$3,500.0   | \$3,500.0   |
| Sec. 31c Gang Prevention and Intervention Programs                    | \$1,000.0   | \$1,000.0  | \$0.0                                       | (\$1,000.0)                                       | \$0.0                                   | (\$1,000.0)                                       | \$0.0   | \$4,000.0                              | \$3,000.0   | \$4,000.0   |
| Sec. 31d School Lunch Programs - State Share                          | \$22,495.1  | \$22,495.1                                       | \$22,495.1                                  | \$0.0   | \$22,495.1                              | \$0.0   | \$0.0   | \$22,495.1                             | \$0.0   | \$0.0   |
| Sec. 31d School Lunch Programs - Federal Share                        | \$513,200.0   | \$513,200.0                                      | \$513,200.0                                 | \$0.0   | \$513,200.0                             | \$0.0   | \$0.0   | \$513,200.0                            | \$0.0   | \$0.0   |
| Sec. 31j Support of Local Produce in School Meals - NEW               | \$0.0   | \$0.0  | \$0.0                                       | \$0.0   | \$500.0                                 | \$500.0   | \$500.0   | \$0.0                                  | \$0.0   | \$0.0   |
| Sec. 31f School Breakfast   | \$5,625.0   | \$2,500.0  | \$2,500.0                                   | (\$3,125.0)                                       | \$2,500.0                               | (\$3,125.0)                                       | \$0.0   | \$2,500.0                              | (\$3,125.0)                                       | \$0.0   |
| Sec. 31h Cooperative Education Grant                                  | \$300.0   | \$300.0  | \$0.0                                       | (\$300.0)   | \$300.0                                 | \$0.0   | \$300.0   | \$0.0                                  | (\$300.0)   | \$0.0   |
| Sec. 32d Great Start - School Readiness                               | \$243,900.0   | \$243,900.0                                      | \$243,900.0                                 | \$0.0   | \$243,900.0                             | \$0.0   | \$0.0   | \$243,900.0                            | \$0.0   | \$0.0   |
| Sec. 32p Great Start Early Childhood Block Grants                     | \$13,400.0  | \$13,400.0                                       | \$13,400.0                                  | \$0.0   | \$13,400.0                              | \$0.0   | \$0.0   | \$13,400.0                             | \$0.0   | \$0.0   |
| Sec. 32q Early learning cooperative - NEW                             | \$0.0   | \$0.0  | \$0.0                                       | \$0.0   | \$175.0                                 | \$175.0   | \$175.0   | \$0.0                                  | \$0.0   | \$0.0   |
| Sec. 35 MDE Administration of Early Reading Initiatives               | \$1,000.0   | \$1,000.0  | \$1,000.0                                   | \$0.0   | \$1,000.0                               | \$0.0   | \$0.0   | \$1,000.0                              | \$0.0   | \$0.0   |
| Sec. 35a(2) Parents University Pilot                                  | \$1,000.0   | \$1,000.0  | \$0.0                                       | (\$1,000.0)                                       | \$0.0                                   | (\$1,000.0)                                       | \$0.0   | \$0.0                                  | (\$1,000.0)                                       | \$0.0   |
| Sec. 35a(3) Research-Based Professional Development on Early Literacy | \$950.0   | \$950.0  | \$950.0                                     | \$0.0   | \$950.0                                 | \$0.0   | \$0.0   | \$950.0                                | \$0.0   | \$0.0   |
| Sec. 35a(4) Evidence-Based Professional Development in Assessments    | \$1,450.0   | \$1,450.0  | \$1,450.0                                   | \$0.0   | \$1,450.0                               | \$0.0   | \$0.0   | \$1,450.0                              | \$0.0   | \$0.0   |
| Sec. 35a(5) Investment in Literacy Coaches for K-3 Teachers           | \$3,000.0   | \$3,000.0  | \$3,000.0                                   | \$0.0   | \$3,000.0                               | \$0.0   | \$0.0   | \$3,000.0                              | \$0.0   | \$0.0   |
| Sec. 35a(6) Additional Instructional Time                             | \$17,500.0  | \$17,500.0                                       | \$17,500.0                                  | \$0.0   | \$17,500.0                              | \$0.0   | \$0.0   | \$17,500.0                             | \$0.0   | \$0.0   |
| Sec. 35a(7) Michigan Education Corps                                  | \$1,000.0   | \$1,000.0  | \$0.0                                       | (\$1,000.0)                                       | \$1,000.0                               | \$0.0   | \$1,000.0   | \$0.0                                  | (\$1,000.0)                                       | \$0.0   |
| Sec. 35a(8) Elementary Teacher Assessment of Reading Instruction      | \$500.0   | \$500.0  | \$0.0                                       | (\$500.0)   | \$0.0                                   | (\$500.0)   | \$0.0   | \$0.0                                  | (\$500.0)   | \$0.0   |
| Sec. 39a(1) NCLB Federal DOE Grants                                   | \$779,076.4   | \$779,076.4                                      | \$821,939.9                                 | \$42,863.5  | \$821,939.9                             | \$42,863.5  | \$0.0   | \$821,939.9                            | \$42,863.5  | \$0.0   |
| Sec 39a(2) Other Non-NCLB Federal DOE Grants                          | \$30,800.0  | \$30,800.0                                       | \$30,800.0                                  | \$0.0   | \$30,800.0                              | \$0.0   | \$0.0   | \$30,800.0                             | \$0.0   | \$0.0   |
| Sec. 41 Bilingual Education   | \$1,200.0   | \$1,200.0  | \$1,200.0                                   | \$0.0   | \$1,200.0                               | \$0.0   | \$0.0   | \$1,200.0                              | \$0.0   | \$0.0   |
| Sec. 43 Teacher Certification Test Review                             | \$1,800.0   | \$1,800.0  | \$0.0                                       | (\$1,800.0)                                       | \$0.0                                   | (\$1,800.0)                                       | \$0.0   | \$0.0                                  | (\$1,800.0)                                       | \$0.0   |
| Sec. 51a Special Education - Federal IDEA                             | \$370,000.0   | \$370,000.0                                      | \$370,000.0                                 | \$0.0   | \$370,000.0                             | \$0.0   | \$0.0   | \$370,000.0                            | \$0.0   | \$0.0   |
| Sec. 51a(2) Spec. Ed. Foundations - State Share                       | \$251,800.0   | \$264,100.0                                      | \$271,600.0                                 | \$19,800.0  | \$271,600.0                             | \$19,800.0  | \$0.0   | \$271,600.0                            | \$19,800.0  | \$0.0   |
| Sec. 51a(3) Spec. Ed. Hold Harmless to ISDs - State Share             | \$1,300.0   | \$1,000.0  | \$1,100.0                                   | (\$200.0)   | \$1,100.0                               | (\$200.0)   | \$0.0   | \$1,100.0                              | (\$200.0)   | \$0.0   |
| Sec. 51a(6) Spec. Ed. Rules Change - State Share                      | \$2,200.0   | \$2,200.0  | \$2,200.0                                   | \$0.0   | \$2,200.0                               | \$0.0   | \$0.0   | \$2,200.0                              | \$0.0   | \$0.0   |
| Sec. 51a(11) Spec. Ed. Non Sec. 52 to ISDs - State Share              | \$3,300.0   | \$4,000.0  | \$3,700.0                                   | \$400.0   | \$3,700.0                               | \$400.0   | \$0.0   | \$3,700.0                              | \$400.0   | \$0.0   |
| Sec. 51c Special Education Headlee - State Share                      | \$610,000.0   | \$626,000.0                                      | \$644,500.0                                 | \$34,500.0  | \$644,500.0                             | \$34,500.0  | \$0.0   | \$644,500.0                            | \$34,500.0  | \$0.0   |
| Sec. 51d Special Education - Other Federal                            | \$71,000.0  | \$71,000.0                                       | \$71,000.0                                  | \$0.0   | \$71,000.0                              | \$0.0   | \$0.0   | \$71,000.0                             | \$0.0   | \$0.0   |
| Sec. 53a Court-Placed Spec. Ed. FTEs - State Share                    | \$10,500.0  | \$10,500.0                                       | \$10,500.0                                  | \$0.0   | \$10,500.0                              | \$0.0   | \$0.0   | \$10,500.0                             | \$0.0   | \$0.0   |
| Sec. 54 MI School for Deaf and Blind - State Share                    | \$1,688.0   | \$1,688.0  | \$1,688.0                                   | \$0.0   | \$1,688.0                               | \$0.0   | \$0.0   | \$1,688.0                              | \$0.0   | \$0.0   |
| Sec. 54b Integrated Behavior and Learning Support (MiBLSI) - NEW      | \$0.0   | \$0.0  | \$1,370.0                                   | \$1,370.0   | \$1,370.0                               | \$1,370.0   | \$0.0   | \$1,370.0                              | \$1,370.0   | \$0.0   |



**FY 2015-16 Year-to-Date and Revised Governor's Recommendation,  
Governor's, Senate-Passed, and House-Passed Recommendations for FY 2016-17 (Dollars in Thousands)**

| Line Item Description   | Public Act 85<br>Initial Approps<br>FY 2015-16 | Revised Rec<br>FY 2015-16<br>02/10/2016 | Governor's<br>Budget<br>FY 2016-17 | Difference from<br>FY 2015-16<br>Enacted | Senate<br>Passed<br>05/04/2016 | Difference<br>from FY 2015-16<br>Enacted | Difference<br>from FY 2016-17<br>Gov's Rec | House<br>Passed<br>04/26/2016 | Difference<br>from FY 2015-16<br>Enacted | Difference<br>from FY 2016-17<br>Gov's Rec |
|---|--|---|------------------------------------|--|--------------------------------|--|--|-------------------------------|--|--|
| Sec. 55 Conductive Learning Center Study                                | \$150.0  | \$150.0                                 | \$150.0                            | \$0.0                                    | \$150.0                        | \$0.0                                    | \$0.0                                      | \$150.0                       | \$0.0                                    | \$0.0                                      |
| Sec. 56 Spec. Ed. Millage Equalization - State Share                    | \$37,758.1                                     | \$37,758.1                              | \$37,758.1                         | \$0.0                                    | \$37,758.1                     | \$0.0                                    | \$0.0                                      | \$37,758.1                    | \$0.0                                    | \$0.0                                      |
| Sec. 59 Gifted and Talented - NEW                                       | \$0.0  | \$0.0                                   | \$0.0                              | \$0.0                                    | \$0.1                          | \$0.1                                    | \$0.1                                      | \$0.0                         | \$0.0                                    | \$0.0                                      |
| Sec. 61a Vocational Education   | \$36,611.3                                     | \$36,611.3                              | \$36,611.3                         | \$0.0                                    | \$36,611.3                     | \$0.0                                    | \$0.0                                      | \$36,726.3                    | \$115.0                                  | \$115.0                                    |
| Sec. 61b Career and Technical Education/Dual Enrollment                 | \$10,000.0                                     | \$10,000.0                              | \$15,000.0                         | \$5,000.0                                | \$10,000.0                     | \$0.0                                    | (\$5,000.0)                                | \$15,000.0                    | \$5,000.0                                | \$0.0                                      |
| Sec. 61c Career and Technical Education Equipment Upgrades - NEW        | \$0.0  | \$0.0                                   | \$10,000.0                         | \$10,000.0                               | \$10,000.0                     | \$10,000.0                               | \$0.0                                      | \$10,000.0                    | \$10,000.0                               | \$0.0                                      |
| Sec. 61d Innovative Educational Pipeline Program - NEW                  | \$0.0  | \$0.0                                   | \$0.0                              | \$0.0                                    | \$500.0                        | \$500.0                                  | \$500.0                                    | \$0.0                         | \$0.0                                    | \$0.0                                      |
| Sec. 61e Restaurant Management and Culinary Training - NEW              | \$0.0  | \$0.0                                   | \$0.0                              | \$0.0                                    | \$100.0                        | \$100.0                                  | \$100.0                                    | \$0.0                         | \$0.0                                    | \$0.0                                      |
| Sec. 62 ISD Vocational Ed Millage Equalization                          | \$9,190.0                                      | \$9,190.0                               | \$9,190.0                          | \$0.0                                    | \$9,190.0                      | \$0.0                                    | \$0.0                                      | \$9,190.0                     | \$0.0                                    | \$0.0                                      |
| Sec. 63 ISD/Health Department Partnership for CTE/Health - NEW          | \$0.0  | \$0.0                                   | \$0.0                              | \$0.0                                    | \$500.0                        | \$500.0                                  | \$500.0                                    | \$0.0                         | \$0.0                                    | \$0.0                                      |
| Sec. 64b Dual Enrollment Incentive Payments                             | \$1,750.0                                      | \$1,750.0                               | \$1,750.0                          | \$0.0                                    | \$1,750.0                      | \$0.0                                    | \$0.0                                      | \$1,750.0                     | \$0.0                                    | \$0.0                                      |
| Sec. 65 Detroit Precollege Engineering                                  | \$340.0  | \$340.0                                 | \$340.0                            | \$0.0                                    | \$340.0                        | \$0.0                                    | \$0.0                                      | \$340.0                       | \$0.0                                    | \$0.0                                      |
| Sec. 67 College and Career Readiness Tools                              | \$3,600.0                                      | \$3,600.0                               | \$3,050.0                          | (\$550.0)                                | \$3,050.0                      | (\$550.0)                                | \$0.0                                      | \$3,050.0                     | (\$550.0)                                | \$0.0                                      |
| Sec. 74 Bus Driver Safety Instruction                                   | \$1,625.0                                      | \$1,625.0                               | \$1,625.0                          | \$0.0                                    | \$1,625.0                      | \$0.0                                    | \$0.0                                      | \$1,625.0                     | \$0.0                                    | \$0.0                                      |
| Sec. 74 School Bus Inspections  | \$1,690.7                                      | \$1,690.7                               | \$1,695.6                          | \$4.9                                    | \$1,695.6                      | \$4.9                                    | \$0.0                                      | \$1,695.6                     | \$4.9                                    | \$0.0                                      |
| Sec. 78 Statewide School Water Testing Program - NEW                    | \$0.0  | \$9,000.0                               | \$9,000.0                          | \$9,000.0                                | \$0.0                          | \$0.0                                    | (\$9,000.0)                                | \$0.0                         | \$0.0                                    | (\$9,000.0)                                |
| Sec. 81 ISD General Operations Support                                  | \$67,108.0                                     | \$67,108.0                              | \$68,182.0                         | \$1,074.0                                | \$68,182.0                     | \$1,074.0                                | \$0.0                                      | \$68,182.0                    | \$1,074.0                                | \$0.0                                      |
| Sec. 94 Advanced Placement (AP) Incentive Program                       | \$250.0  | \$250.0                                 | \$250.0                            | \$0.0                                    | \$250.0                        | \$0.0                                    | \$0.0                                      | \$250.0                       | \$0.0                                    | \$0.0                                      |
| Sec. 94a Center for Educ. Perf. and Information - State Share           | \$11,967.0                                     | \$11,967.0                              | \$12,173.2                         | \$206.2                                  | \$12,173.2                     | \$206.2                                  | \$0.0                                      | \$12,173.2                    | \$206.2                                  | \$0.0                                      |
| Sec. 94a Center for Educ. Perf. and Information - Federal               | \$193.5  | \$193.5                                 | \$193.5                            | \$0.0                                    | \$193.5                        | \$0.0                                    | \$0.0                                      | \$193.5                       | \$0.0                                    | \$0.0                                      |
| Sec. 95a Educator Evaluations   | \$0.0  | \$0.0                                   | \$10,000.0                         | \$10,000.0                               | \$0.1                          | \$0.1                                    | (\$9,999.9)                                | \$0.0                         | \$0.0                                    | (\$10,000.0)                               |
| Sec. 95b Student Growth Tool - NEW                                      | \$0.0  | \$0.0                                   | \$0.0                              | \$0.0                                    | \$0.0                          | \$0.0                                    | \$0.0                                      | \$0.1                         | \$0.1                                    | \$0.1                                      |
| Sec. 98 Michigan Virtual High School - State                            | \$7,387.5                                      | \$7,387.5                               | \$7,387.5                          | \$0.0                                    | \$7,000.0                      | (\$387.5)                                | (\$387.5)                                  | \$7,387.5                     | \$0.0                                    | \$0.0                                      |
| Sec. 99c Civics Education   | \$60.0   | \$60.0                                  | \$0.0                              | (\$60.0)                                 | \$60.0                         | \$0.0                                    | \$60.0                                     | \$0.0                         | (\$60.0)                                 | \$0.0                                      |
| Sec. 99h FIRST Robotics   | \$2,000.0                                      | \$2,000.0                               | \$2,500.0                          | \$500.0                                  | \$2,500.0                      | \$500.0                                  | \$0.0                                      | \$2,000.0                     | \$0.0                                    | (\$500.0)                                  |
| Sec. 99s(2) Comprehensive STEM Initiative                               | \$50.0   | \$50.0                                  | \$2,525.0                          | \$2,475.0                                | \$1,525.0                      | \$1,475.0                                | (\$1,000.0)                                | \$50.0                        | \$0.0                                    | (\$2,475.0)                                |
| Sec. 99s(3) Math/Science Centers - State                                | \$2,750.0                                      | \$2,750.0                               | \$2,750.0                          | \$0.0                                    | \$3,750.0                      | \$1,000.0                                | \$1,000.0                                  | \$2,750.0                     | \$0.0                                    | \$0.0                                      |
| Sec. 99s(3) Math/Science Centers - Federal                              | \$5,249.3                                      | \$5,249.3                               | \$5,249.3                          | \$0.0                                    | \$5,249.3                      | \$0.0                                    | \$0.0                                      | \$5,249.3                     | \$0.0                                    | \$0.0                                      |
| Sec. 99s(4) Michigan STEM Partnership                                   | \$475.0  | \$475.0                                 | \$0.0                              | (\$475.0)                                | \$0.0                          | (\$475.0)                                | \$0.0                                      | \$475.0                       | \$0.0                                    | \$475.0                                    |
| Sec. 99s(5) STEM Professional Development                               | \$250.0  | \$250.0                                 | \$0.0                              | (\$250.0)                                | \$0.0                          | (\$250.0)                                | \$0.0                                      | \$250.0                       | \$0.0                                    | \$250.0                                    |
| Sec. 99s(6) Science Olympiad and STEM                                   | \$250.0  | \$250.0                                 | \$0.0                              | (\$250.0)                                | \$500.0                        | \$250.0                                  | \$500.0                                    | \$250.0                       | \$0.0                                    | \$250.0                                    |
| Sec. 99s(7) Van Andel Education Institute                               | \$250.0  | \$250.0                                 | \$0.0                              | (\$250.0)                                | \$500.0                        | \$250.0                                  | \$500.0                                    | \$250.0                       | \$0.0                                    | \$250.0                                    |
| Sec. 99t Online Algebra Tool - NEW                                      | \$0.0  | \$0.0                                   | \$0.0                              | \$0.0                                    | \$0.1                          | \$0.1                                    | \$0.1                                      | \$2,000.0                     | \$2,000.0                                | \$2,000.0                                  |
| Sec. 102d Reimbursement for Purchase of Financial Data Analysis Tool(s) | \$1,500.0                                      | \$1,500.0                               | \$1,500.0                          | \$0.0                                    | \$1,500.0                      | \$0.0                                    | \$0.0                                      | \$1,600.0                     | \$100.0                                  | \$100.0                                    |
| Sec. 104 MEAP Testing - State Share                                     | \$43,994.4                                     | \$43,994.4                              | \$33,894.4                         | (\$10,100.0)                             | \$35,236.8                     | (\$8,757.6)                              | \$1,342.4                                  | \$22,000.0                    | (\$21,994.4)                             | (\$11,894.4)                               |
| Sec. 104 MEAP Testing - Federal Share                                   | \$6,250.0                                      | \$6,250.0                               | \$6,250.0                          | \$0.0                                    | \$6,250.0                      | \$0.0                                    | \$0.0                                      | \$6,250.0                     | \$0.0                                    | \$0.0                                      |
| Sec. 104d Computer Adaptive Test  | \$4,000.0                                      | \$4,000.0                               | \$0.0                              | (\$4,000.0)                              | \$9,500.0                      | \$5,500.0                                | \$9,500.0                                  | \$0.0                         | (\$4,000.0)                              | \$0.0                                      |
| Sec. 107 Adult Education - State  | \$25,000.0                                     | \$25,000.0                              | \$25,000.0                         | \$0.0                                    | \$25,000.0                     | \$0.0                                    | \$0.0                                      | \$25,000.0                    | \$0.0                                    | \$0.0                                      |
| Sec. 147a MPERS District Reimbursement                                  | \$100,000.0                                    | \$100,000.0                             | \$100,000.0                        | \$0.0                                    | \$100,000.0                    | \$0.0                                    | \$0.0                                      | \$100,000.0                   | \$0.0                                    | \$0.0                                      |
| Sec. 147c MPERS Rate Cap (Section 41 of MPERS Act)                      | \$893,500.0                                    | \$893,500.0                             | \$982,800.0                        | \$89,300.0                               | \$982,800.0                    | \$89,300.0                               | \$0.0                                      | \$982,800.0                   | \$89,300.0                               | \$0.0                                      |
| Sec. 152a Adair v State of Michigan                                     | \$38,000.5                                     | \$38,000.5                              | \$38,000.5                         | \$0.0                                    | \$38,000.5                     | \$0.0                                    | \$0.0                                      | \$38,000.5                    | \$0.0                                    | \$0.0                                      |
| Sec. 152b Reimbursement for Nonpublic Mandates - NEW                    | \$0.0  | \$0.0                                   | \$0.0                              | \$0.0                                    | \$5,000.0                      | \$5,000.0                                | \$5,000.0                                  | \$1,000.0                     | \$1,000.0                                | \$1,000.0                                  |
| <b>TOTAL SCHOOL AID APPROPRIATIONS</b>                                  | <b>\$13,900,654.3</b>                          | <b>\$13,846,208.5</b>                   | <b>\$14,183,112.1</b>              | <b>\$282,457.8</b>                       | <b>\$14,107,112.3</b>          | <b>\$206,458.0</b>                       | <b>(\$75,999.8)</b>                        | <b>\$14,187,682.9</b>         | <b>\$287,028.6</b>                       | <b>\$4,570.8</b>                           |
| <b>TOTAL REVENUE</b>  |  |   |                                    |  |                                |  |  |                               |  |  |
| Federal Aid   | \$1,775,769.2                                  | \$1,775,769.2                           | \$1,818,632.7                      | \$42,863.5                               | \$1,818,632.7                  | \$42,863.5                               | \$0.0                                      | \$1,818,632.7                 | \$42,863.5                               | \$0.0                                      |
| School Aid Fund (SAF)   | \$12,078,985.1                                 | \$12,015,339.3                          | \$12,062,479.3                     | (\$16,505.8)                             | \$12,062,479.5                 | (\$16,505.6)                             | \$0.2                                      | \$12,076,050.0                | (\$2,935.1)                              | \$13,570.7                                 |
| General Fund/General Purpose  | \$45,900.0                                     | \$55,100.0                              | \$230,000.0                        | \$184,100.0                              | \$226,000.0                    | \$180,100.0                              | (\$4,000.0)                                | \$221,000.1                   | \$175,100.1                              | (\$8,999.9)                                |
| DPS Trust Fund/Other State Restricted Funds (\$100 Flint Reserve)       | \$0.0  | \$0.0                                   | \$72,000.1                         | \$72,000.1                               | \$0.1                          | \$0.1                                    | (\$72,000.0)                               | \$72,000.1                    | \$72,000.1                               | \$0.0                                      |
| <b>TOTAL REVENUE</b>  | <b>\$13,900,654.3</b>                          | <b>\$13,846,208.5</b>                   | <b>\$14,183,112.1</b>              | <b>\$282,457.8</b>                       | <b>\$14,107,112.3</b>          | <b>\$206,458.0</b>                       | <b>(\$75,999.8)</b>                        | <b>\$14,187,682.9</b>         | <b>\$287,028.6</b>                       | <b>\$4,570.8</b>                           |





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Senate Bill 801 (S-1 as passed by the Senate)  
Committee: Appropriations

| FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE | FY 2015-16 YEAR-TO-DATE | FY 2016-17 SENATE-PASSED | CHANGES FROM FY 2015-16 YEAR-TO-DATE |            |
|---|-------------------------|--------------------------|--------------------------------------|------------|
|   |                         |                          | AMOUNT                               | PERCENT    |
| FTE Positions.....  | N/A                     | N/A                      | 0.0                                  | 0.0        |
| <b>GROSS</b> .....  | <b>387,825,600</b>      | <b>399,025,600</b>       | <b>11,200,000</b>                    | <b>2.9</b> |
| Less:   |                         |                          |                                      |            |
| Interdepartmental Grants Received .....                     | 0                       | 0                        | 0                                    | 0.0        |
| <b>ADJUSTED GROSS</b> .....                                 | <b>387,825,600</b>      | <b>399,025,600</b>       | <b>11,200,000</b>                    | <b>2.9</b> |
| Less:   |                         |                          |                                      |            |
| Federal Funds.....  | 0                       | 0                        | 0                                    | 0.0        |
| Local and Private .....                                     | 0                       | 0                        | 0                                    | 0.0        |
| <b>TOTAL STATE SPENDING</b> .....                           | <b>387,825,600</b>      | <b>399,025,600</b>       | <b>11,200,000</b>                    | <b>2.9</b> |
| Less:   |                         |                          |                                      |            |
| Other State Restricted Funds.....                           | 256,714,800             | 260,414,800              | 3,700,000                            | 1.4        |
| <b>GENERAL FUND/GENERAL PURPOSE</b> .....                   | <b>131,110,800</b>      | <b>138,610,800</b>       | <b>7,500,000</b>                     | <b>5.7</b> |
| <b>PAYMENTS TO LOCALS</b> .....                             | <b>387,825,600</b>      | <b>399,025,600</b>       | <b>11,200,000</b>                    | <b>2.9</b> |

**FY 2015-16 Year-to-Date Gross Appropriation ..... \$387,825,600**

**Changes from FY 2015-16 Year-to-Date:**

- 1. Performance Funding.** Governor included a \$7.5 million GF/GP (2.4%) increase for community college operations distributed through a modified version of the Performance Indicators Task Force Formula. Section 230a of Public Act 85 of 2015 created a Task Force to review, evaluate, discuss, and make recommendations regarding performance indicators established under the authority of Section 242 of Public Act 154 of 2005. The Task Force report was completed on January 15, 2016. Governor used the Task Force recommendations, but modified the performance metrics as shown in [Table 1](#). Senate maintained overall 2.4% increase but allocated funds based on 2016 Performance Indicator Review Task Force recommendations and did not include Governor's modifications to the formula.

[Tables 2](#) provides a comparison of current year, the Governor's recommendation, and the Senate. [Table 3](#) includes detail of Senate formula allocations by college.

7,500,000
- 2. Michigan Public School Employees Retirement System (MPSERS) Rate Cap.** Governor and Senate included \$3.7 million School Aid Fund (SAF) to continue funding the difference between the employer's capped contribution rate for unfunded accrued liabilities (20.96%) and the actual unfunded actuarial accrued liability contributions rate. MPSERS reform legislation requires the State to pay the difference between these amounts. The FY 2016-17 MPSERS appropriation totals \$73.2 million.

3,700,000
- 3. Other Changes.** Governor and Senate shifted \$52.3 million SAF from college operations (\$50.7 million) and renaissance zone reimbursements (\$1.6 million) to the MPSERS appropriation to effectively fund the entire MPSERS appropriation from the SAF. The FY 2016-17 community college budget includes \$138.6 million State General Fund and \$260.4 SAF.

0
- 4. Comparison to Governor's Recommendation.** Senate is \$0 Gross and \$0 GF/GP over/under the Governor.

Total Changes ..... \$11,200,000

**FY 2016-17 Senate-Passed Gross Appropriation..... \$399,025,600**

**Boilerplate Changes from FY 2015-16 Year-to-Date:**

1. **Transparency.** Requires each community college to make available through links on its website homepage its annual operating budget, links to the most recent activities classification structure report, current collective bargaining agreements, health care plans, audits and financial reports, projected general fund revenue and expenditures and debt service obligations, estimated costs incurred due to Affordable Health Care Act (ACA), opportunities for earning college credit through dual enrollment and compliance with best practices. Includes certain format requirements consistent with K-12 reporting. Provides that the State Budget Director determines compliance and allows for withholding of State aid payments for noncompliance. Governor eliminated estimated costs of ACA, and the State Budget Director's authority to determine compliance and withhold funds for failure to comply with transparency site requirements. Senate restored provisions eliminated by the Governor. (Sec. 209)
2. **Block Transfers (30 Credits).** States legislative intent that the Michigan Association of Collegiate Registrars and Admission Officers implement agreements among the community colleges and universities concerning the transferability of college courses resulting from the recommendations of the committee created under former section 210a (Block Transfers/30 Credits). Requires implementation update report by March 1, 2016. Governor replaced this section with language requiring the Michigan Community College Association and the Michigan Association of State Universities to submit a progress report on implementation by March 1, 2017 that specifically includes a summary of implementation issues faced by the institutions and strategies being considered to remedy those issues, and an update on progress made on outstanding issues identified in the March 1, 2016 report. Senate included the Governor's changes and added a separate reporting requirement regarding improvements to articulation and credit transfer policies among and between all sectors of postsecondary education pursuant to requirements included in former section 210c (Block Transfers/60 credits). (Sec. 210b)
3. **Block Transfer Study Committee (60 Credits).** Governor deleted the section that created a study committee to develop a process to improve the transferability and applicability of associate of arts and associate of science degrees as a block of credits between community colleges and public universities on a statewide basis. The committee was charged with exploring standards for program articulation between institutions so that an associate of arts or associate of science degree earned at a community college is considered the equivalent of the first 60 credits of a baccalaureate degree, and those credits can be seamlessly transferred and applied to the program of study at the receiving university. A report from the committee was required by March 1, 2016. Senate concurred with the Governor, but added a requirement for a report updating progress made on this issue (Item #2 above).
4. **Academic Program Partnerships.** Senate added language that requires Michigan Community College Association, the Michigan Association of State Universities, and the Michigan Independent Colleges and Universities, on behalf of their member colleges and universities, to submit a comprehensive report detailing the number of academic program partnerships between public community colleges, public universities, and private colleges and universities. (Sec. 210e)
5. **Performance Indicators Task Force.** Delineates formula originally based on 2006 recommendations of the Performance Indicators Task Force. Lists metrics and sets criteria for Local Strategic Value component of the formula and requires certification of compliance by each college through a board of trustees' resolution. Governor updated this language based on the recommendations contained in the January 15, 2016 report of the Performance Indicators Review Task Force, with certain modifications. See [Table 1](#) for details. The Governor's distribution is as follows:
  - a. 30.0% Proportionate to Base
  - b. 30.0% Weighted Contact Hours
  - c. 20.0% Weighted Degrees
  - d. 10.0% Completion Improvement
  - e. 5.0% Administrative Costs
  - f. 5.0% Local Strategic Value

The Senate implemented Task Force recommendations without the Governor's modifications. Senate distribution is as follows:

- a. 30.0% Proportionate to Base
- b. 30.0% Weighted Contact Hours
- c. 30.0% Performance
  - 10.0% Completion Improvement
  - 10.0% Number of Completions
  - 10.0% Completion Rate
- d. 5.0% Administrative Costs
- e. 5.0% Local Strategic Value

- 6. **Restored Provisions.** Senate restored the following sections that were deleted by the Governor: Anticipated appropriations for subsequent fiscal year (Sec. 201a); prohibits use of appropriations for construction or maintenance of self-liquidating projects and requires compliance with Section 238 of the Management and Budget Act and Joint Capital Outlay Subcommittee use and finance requirements – includes penalty for noncompliance (Sec. 208); encourages community colleges to achieve efficiencies through collaborations (Sec. 212); prohibition on use of appropriations for purchase or lease of foreign automobiles (Sec. 227); and prohibition on disciplinary action against an employee for communicating with a member of the Legislature or legislative staff (Sec. 228).
- 7. **Deleted Provisions.** Governor and Senate eliminated the Block Transfer Study Committee (Sec. 210c), and the Performance Indicators Review Task Force (Sec. 230a).
- 8. **Other Changes.** Governor and Senate modified several sections based on the Center for Educational Performance and Information (CEPI) assuming responsibility for the community college Activities Classification Structure (Secs. 203, 206, 217, 222, 225, and 226).

**Table 1**

| <b>Performance Indicators Comparison</b>   |   |  |   |
|--|---|--|---|
| <b>Current Formula, Task Force Recommendation, and Governor's FY 2016-17 Recommendation</b>  |   |  |   |
| <b>Metric</b>  | <b>Current Formula</b>                          | <b>Task Force Recommendation<sup>1)</sup></b>  | <b>Governor's Recommendation</b>  |
| System Sustainability/<br>Increase proportionate to base (across-the-board adjustment)   | 50.0%   | 30.0%  | 30.0%   |
| Contact Hours  | 10.0% Contact hours not weighted.               | 30.0%. Weighted (contact hours in health and technology 2x).   | 30.0%. Weighted (contact hours in health and technology 2x).  |
| Performance  | 17.5% Weighted Degree/Certification Completion. | 30.0% as follows:<br><ul style="list-style-type: none"> <li>• 10.0% Completion Improvement;</li> <li>• 10.0% Number of Completions;</li> <li>• 10.0% Completion Rate.</li> </ul> | 30.0% as follows:<br><ul style="list-style-type: none"> <li>• 20.0% Weighted Degree/Certification;</li> <li>• 10.0% Modified Completion Improvement.</li> </ul> |
| Administrative Costs   | 7.5%  | 5.0%   | 5.0%  |
| Local Strategic Value  | 15.0%   | 5.0%   | 5.0%  |
| <b>Total</b>   | <b>100.0%</b>                                   | <b>100.0%</b>  | <b>100.0%</b>   |
| <b>Formula Methodology<sup>2)</sup></b>  |   |  |   |
| Proportionate to Base  | 65.0%   | 51.0%  | 35.0%   |
| Metrics  | 35.0%   | 49.0%  | 65.0%   |
| <sup>1)</sup> Performance Indicators Review Task Force Findings and Recommendations, January 15, 2016, pursuant to Section 230a of Public Act 85 of 2015.<br><sup>2)</sup> Across-the-board (proportionate to base) distributions for the current formula include: 50.0% System Sustainability and 15.0% Local Strategic Value. Across-the-board distributions for the MCCA proposal include 30.0% System Sustainability, 16.0% Hold Harmless (portion of performance funding), and 5.0% Local Strategic Value. Across-the-board distributions for Governor's recommendation include 30.0% System Sustainability and 5.0% Local Strategic Value. |   |  |   |

Date Completed: 5-4-16

Fiscal Analyst: Bill Bowerman

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberation.

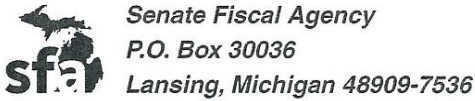
**Table 2: FY 2016-17 Community College Appropriation**

| College                         | FY 2015-16<br>Year-To-Date | FY 2016-17 Governor's Recommendation |               |                   | FY 2016-17 Senate |               |                   |
|---------------------------------|----------------------------|--------------------------------------|---------------|-------------------|-------------------|---------------|-------------------|
|                                 |                            | Adjustments                          | Appropriation | Percent<br>Change | Adjustments       | Appropriation | Percent<br>Change |
| Alpena                          | \$5,464,400                | \$162,700                            | \$5,627,100   | 3.0%              | 136,800           | \$5,601,200   | 2.5%              |
| Bay de Noc                      | 5,490,200                  | 100,900                              | 5,591,100     | 1.8%              | 120,500           | 5,610,700     | 2.2%              |
| Delta                           | 14,704,000                 | 348,400                              | 15,052,400    | 2.4%              | 347,200           | 15,051,200    | 2.4%              |
| Glen Oaks                       | 2,551,100                  | 45,600                               | 2,596,700     | 1.8%              | 61,100            | 2,612,200     | 2.4%              |
| Gogebic                         | 4,509,900                  | 117,000                              | 4,626,900     | 2.6%              | 115,700           | 4,625,600     | 2.6%              |
| Grand Rapids                    | 18,187,300                 | 444,400                              | 18,631,700    | 2.4%              | 448,700           | 18,636,000    | 2.5%              |
| Henry Ford                      | 21,893,300                 | 454,200                              | 22,347,500    | 2.1%              | 481,900           | 22,375,200    | 2.2%              |
| Jackson                         | 12,245,300                 | 259,100                              | 12,504,400    | 2.1%              | 259,600           | 12,504,900    | 2.1%              |
| Kalamazoo Valley                | 12,689,400                 | 326,300                              | 13,015,700    | 2.6%              | 314,500           | 13,003,900    | 2.5%              |
| Kellogg                         | 9,950,100                  | 209,700                              | 10,159,800    | 2.1%              | 234,200           | 10,184,300    | 2.4%              |
| Kirtland                        | 3,221,500                  | 81,800                               | 3,303,300     | 2.5%              | 82,600            | 3,304,100     | 2.6%              |
| Lake Michigan                   | 5,417,700                  | 147,900                              | 5,565,600     | 2.7%              | 127,900           | 5,545,600     | 2.4%              |
| Lansing                         | 31,288,200                 | 627,100                              | 31,915,300    | 2.0%              | 663,400           | 31,951,600    | 2.1%              |
| Macomb                          | 33,239,500                 | 660,700                              | 33,900,200    | 2.0%              | 754,100           | 33,993,600    | 2.3%              |
| Mid Michigan                    | 4,757,700                  | 159,600                              | 4,917,300     | 3.4%              | 130,100           | 4,887,800     | 2.7%              |
| Monroe                          | 4,565,600                  | 113,500                              | 4,679,100     | 2.5%              | 121,100           | 4,686,700     | 2.7%              |
| Montcalm                        | 3,280,600                  | 123,400                              | 3,404,000     | 3.8%              | 106,500           | 3,387,100     | 3.2%              |
| Mott                            | 15,901,700                 | 376,700                              | 16,278,400    | 2.4%              | 364,500           | 16,266,200    | 2.3%              |
| Muskegon                        | 9,020,700                  | 248,000                              | 9,268,700     | 2.7%              | 221,300           | 9,242,000     | 2.5%              |
| North Central                   | 3,224,800                  | 120,300                              | 3,345,100     | 3.7%              | 111,800           | 3,336,600     | 3.5%              |
| Northwestern                    | 9,200,500                  | 209,500                              | 9,410,000     | 2.3%              | 200,300           | 9,400,800     | 2.2%              |
| Oakland                         | 21,429,400                 | 548,800                              | 21,978,200    | 2.6%              | 582,200           | 22,011,600    | 2.7%              |
| Schoolcraft                     | 12,706,400                 | 351,400                              | 13,057,800    | 2.8%              | 345,900           | 13,052,300    | 2.7%              |
| Southwestern                    | 6,657,600                  | 116,000                              | 6,773,600     | 1.7%              | 127,600           | 6,785,200     | 1.9%              |
| St. Clair                       | 7,158,000                  | 179,100                              | 7,337,100     | 2.5%              | 172,600           | 7,330,600     | 2.4%              |
| Washtenaw                       | 13,301,100                 | 423,600                              | 13,724,700    | 3.2%              | 397,000           | 13,698,100    | 3.0%              |
| Wayne County                    | 16,989,800                 | 463,000                              | 17,452,800    | 2.7%              | 416,600           | 17,406,400    | 2.5%              |
| West Shore                      | 2,446,200                  | 81,300                               | 2,527,500     | 3.3%              | 54,300            | 2,500,500     | 2.2%              |
| Subtotal Operations:            | \$311,492,000              | \$7,500,000                          | \$318,992,000 | 2.4%              | \$7,500,000       | \$318,992,000 | 2.4%              |
| MPSERS Retiree Health Care      | 1,733,600                  | 0                                    | 1,733,600     | 0.0%              | 0                 | 1,733,600     | 0.0%              |
| MPSERS Reform Costs             | 69,500,000                 | 3,700,000                            | 73,200,000    | 5.3%              | 3,700,000         | 73,200,000    | 5.3%              |
| Renaissance Zone Reimbursements | 5,100,000                  | 0                                    | 5,100,000     | 0.0%              | 0                 | 5,100,000     | 0.0%              |
| Total Appropriations:           | \$387,825,600              | \$11,200,000                         | \$399,025,600 | 2.9%              | \$11,200,000      | \$399,025,600 | 2.9%              |
| State School Aid Fund           | 256,714,800                | 3,700,000                            | 260,414,800   | 1.4%              | 3,700,000         | 260,414,800   | 1.4%              |
| GF/GP                           | \$131,110,800              | \$7,500,000                          | \$138,610,800 | 5.7%              | \$7,500,000       | \$138,610,800 | 5.7%              |

**Table 3: FY 2016-17 Community College Appropriations - Senate**

| College                         | FY 2015-16<br>Year-To-Date | FY 2016-17 Adjustments   |                                  |                                   |                                      |                        |                              |                               |                               |                            |                      |               | Percent<br>Change |
|---------------------------------|----------------------------|--------------------------|----------------------------------|-----------------------------------|--------------------------------------|------------------------|------------------------------|-------------------------------|-------------------------------|----------------------------|----------------------|---------------|-------------------|
|                                 |                            | 30.0%<br>Sustainability* | 10.0% Performance<br>Improvement | 10.0% Performance<br>Completion # | 10.0% Performance<br>Completion Rate | 30.0%<br>Contact Hours | 5.0% Administrative<br>Costs | 5.0% Local<br>Strategic Value | Total<br>Formula Distribution | Non-Formula<br>Adjustments | Total<br>Adjustments | Appropriation |                   |
| Alpena                          | \$5,464,400                | 39,471                   | 40,859                           | 8,285                             | 10,526                               | 19,457                 | 11,626                       | 6,578                         | 136,800                       |                            | 136,800              | \$5,601,200   | 2.5%              |
| Bay de Noc                      | 5,490,200                  | 39,657                   | 10,575                           | 10,276                            | 20,849                               | 23,709                 | 8,784                        | 6,610                         | 120,500                       |                            | 120,500              | 5,610,700     | 2.2%              |
| Delta                           | 14,704,000                 | 106,211                  | 28,428                           | 50,912                            | 28,323                               | 99,123                 | 16,516                       | 17,702                        | 347,200                       |                            | 347,200              | 15,051,200    | 2.4%              |
| Glen Oaks                       | 2,551,100                  | 18,427                   | 4,914                            | 6,387                             | 15,253                               | 12,685                 | 345                          | 3,071                         | 61,100                        |                            | 61,100               | 2,612,200     | 2.4%              |
| Gogebic                         | 4,509,900                  | 32,576                   | 25,600                           | 5,505                             | 22,340                               | 14,816                 | 9,470                        | 5,429                         | 115,700                       |                            | 115,700              | 4,625,600     | 2.6%              |
| Grand Rapids                    | 18,187,300                 | 131,372                  | 43,141                           | 38,458                            | 35,033                               | 161,752                | 17,026                       | 21,895                        | 448,700                       |                            | 448,700              | 18,636,000    | 2.5%              |
| Henry Ford                      | 21,893,300                 | 158,142                  | 45,019                           | 34,970                            | 52,533                               | 147,213                | 17,644                       | 26,357                        | 481,900                       |                            | 481,900              | 22,375,200    | 2.2%              |
| Jackson                         | 12,245,300                 | 88,451                   | 25,128                           | 23,405                            | 34,327                               | 59,392                 | 14,137                       | 14,742                        | 259,600                       |                            | 259,600              | 12,504,900    | 2.1%              |
| Kalamazoo Valley                | 12,689,400                 | 91,659                   | 24,443                           | 30,367                            | 34,865                               | 99,327                 | 18,557                       | 15,277                        | 314,500                       |                            | 314,500              | 13,003,900    | 2.5%              |
| Kellogg                         | 9,950,100                  | 71,873                   | 19,166                           | 21,881                            | 29,130                               | 62,467                 | 17,724                       | 11,979                        | 234,200                       |                            | 234,200              | 10,184,300    | 2.4%              |
| Kirtland                        | 3,221,500                  | 23,270                   | 6,205                            | 8,178                             | 6,205                                | 21,545                 | 13,319                       | 3,878                         | 82,600                        |                            | 82,600               | 3,304,100     | 2.6%              |
| Lake Michigan                   | 5,417,700                  | 39,134                   | 10,745                           | 9,648                             | 10,436                               | 41,425                 | 10,022                       | 6,522                         | 127,900                       |                            | 127,900              | 5,545,600     | 2.4%              |
| Lansing                         | 31,288,200                 | 226,004                  | 60,268                           | 70,094                            | 70,366                               | 180,928                | 18,089                       | 37,667                        | 663,400                       |                            | 663,400              | 31,951,600    | 2.1%              |
| Macomb                          | 33,239,500                 | 240,099                  | 64,026                           | 73,682                            | 74,060                               | 243,723                | 18,418                       | 40,016                        | 754,100                       |                            | 754,100              | 33,993,600    | 2.3%              |
| Mid Michigan                    | 4,757,700                  | 34,366                   | 11,518                           | 16,449                            | 9,164                                | 42,315                 | 10,603                       | 5,728                         | 130,100                       |                            | 130,100              | 4,887,800     | 2.7%              |
| Monroe                          | 4,565,600                  | 32,979                   | 8,794                            | 11,452                            | 8,794                                | 36,946                 | 16,682                       | 5,496                         | 121,100                       |                            | 121,100              | 4,686,700     | 2.7%              |
| Montcalm                        | 3,280,600                  | 23,697                   | 22,958                           | 7,436                             | 17,090                               | 18,424                 | 12,974                       | 3,949                         | 106,500                       |                            | 106,500              | 3,387,100     | 3.2%              |
| Mott                            | 15,901,700                 | 114,863                  | 36,560                           | 37,048                            | 30,630                               | 110,404                | 15,867                       | 19,144                        | 364,500                       |                            | 364,500              | 16,266,200    | 2.3%              |
| Muskegon                        | 9,020,700                  | 65,159                   | 46,753                           | 13,129                            | 17,376                               | 49,691                 | 18,374                       | 10,860                        | 221,300                       |                            | 221,300              | 9,242,000     | 2.5%              |
| North Central                   | 3,224,800                  | 23,294                   | 20,462                           | 7,917                             | 17,440                               | 23,319                 | 15,461                       | 3,882                         | 111,800                       |                            | 111,800              | 3,336,600     | 3.5%              |
| Northwestern                    | 9,200,500                  | 66,458                   | 22,574                           | 17,245                            | 17,722                               | 50,510                 | 14,666                       | 11,076                        | 200,300                       |                            | 200,300              | 9,400,800     | 2.2%              |
| Oakland                         | 21,429,400                 | 154,791                  | 41,278                           | 59,818                            | 41,278                               | 247,181                | 12,009                       | 25,798                        | 582,200                       |                            | 582,200              | 22,011,600    | 2.7%              |
| Schoolcraft                     | 12,706,400                 | 91,782                   | 25,941                           | 40,623                            | 35,415                               | 120,678                | 16,137                       | 15,297                        | 345,900                       |                            | 345,900              | 13,052,300    | 2.7%              |
| Southwestern                    | 6,657,600                  | 48,090                   | 12,824                           | 8,946                             | 12,824                               | 30,616                 | 6,330                        | 8,015                         | 127,600                       |                            | 127,600              | 6,785,200     | 1.9%              |
| St. Clair                       | 7,158,000                  | 51,704                   | 14,423                           | 14,365                            | 25,019                               | 46,658                 | 11,838                       | 8,617                         | 172,600                       |                            | 172,600              | 7,330,600     | 2.4%              |
| Washtenaw                       | 13,301,100                 | 96,078                   | 32,455                           | 69,620                            | 35,565                               | 131,049                | 16,211                       | 16,013                        | 397,000                       |                            | 397,000              | 13,698,100    | 3.0%              |
| Wayne County                    | 16,989,800                 | 122,722                  | 37,529                           | 49,455                            | 32,726                               | 140,652                | 13,091                       | 20,454                        | 416,600                       |                            | 416,600              | 17,406,400    | 2.5%              |
| West Shore                      | 2,446,200                  | 17,670                   | 7,416                            | 4,450                             | 4,712                                | 13,996                 | 3,083                        | 2,945                         | 54,300                        |                            | 54,300               | 2,500,500     | 2.2%              |
| Subtotal Operations:            | \$311,492,000              | \$2,249,999              | \$750,002                        | \$750,001                         | \$750,001                            | \$2,250,001            | \$375,003                    | \$374,997                     | \$7,500,000                   | \$0                        | \$7,500,000          | \$318,992,000 | 2.4%              |
| MPSERS Retiree Health Care      | 1,733,600                  |                          |                                  |                                   |                                      |                        |                              |                               |                               |                            | 0                    | 1,733,600     | 0.0%              |
| MPSERS Reform Costs             | 69,500,000                 |                          |                                  |                                   |                                      |                        |                              |                               |                               | 3,700,000                  | 3,700,000            | 73,200,000    | 5.3%              |
| Renaissance Zone Reimbursements | 5,100,000                  |                          |                                  |                                   |                                      |                        |                              |                               |                               |                            | 0                    | 5,100,000     | 0.0%              |
| Total Appropriations:           | \$387,825,600              | \$2,249,999              | \$750,002                        |                                   |                                      | \$2,250,001            | \$375,003                    | \$374,997                     | \$7,500,000                   | \$3,700,000                | \$11,200,000         | \$399,025,600 | 2.9%              |
| State School Aid Fund           | 256,714,800                |                          |                                  |                                   |                                      |                        |                              |                               |                               | 3,700,000                  | 3,700,000            | \$260,414,800 | 1.4%              |
| GF/GP                           | \$131,110,800              | \$2,249,999              | \$750,002                        |                                   |                                      | \$2,250,001            | \$375,003                    | \$374,997                     | \$7,500,000                   | \$0                        | \$7,500,000          | \$138,610,800 | 5.7%              |

\* Allocation proportionate to FY 16 base.



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Senate Bill 801 (S-1 as passed by the Senate)  
Committee: Appropriations

| FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE | FY 2015-16 YEAR-TO-DATE | FY 2016-17 SENATE-PASSED | CHANGES FROM FY 2015-16 YEAR-TO-DATE |            |
|---|-------------------------|--------------------------|--------------------------------------|------------|
|   |                         |                          | AMOUNT                               | PERCENT    |
| FTE Positions.....  | N/A                     | N/A                      | 0.0                                  | 0.0        |
| <b>GROSS</b> .....  | <b>1,534,724,400</b>    | <b>1,599,807,200</b>     | <b>65,082,800</b>                    | <b>4.2</b> |
| Less:   |                         |                          |                                      |            |
| Interdepartmental Grants Received .....                     | 0                       | 0                        | 0                                    | 0.0        |
| <b>ADJUSTED GROSS</b> .....                                 | <b>1,534,724,400</b>    | <b>1,599,807,200</b>     | <b>65,082,800</b>                    | <b>4.2</b> |
| Less:   |                         |                          |                                      |            |
| Federal Funds.....  | 97,026,400              | 100,179,200              | 3,152,800                            | 3.2        |
| Local and Private .....                                     | 0                       | 0                        | 0                                    | 0.0        |
| <b>TOTAL STATE SPENDING</b> .....                           | <b>1,437,698,000</b>    | <b>1,499,628,000</b>     | <b>61,930,000</b>                    | <b>4.3</b> |
| Less:   |                         |                          |                                      |            |
| Other State Restricted Funds.....                           | 205,279,500             | 237,209,500              | 31,930,000                           | 15.6       |
| <b>GENERAL FUND/GENERAL PURPOSE</b> .....                   | <b>1,232,418,500</b>    | <b>1,262,418,500</b>     | <b>30,000,000</b>                    | <b>2.4</b> |
| <b>PAYMENTS TO LOCALS</b> .....                             | <b>0</b>                | <b>0</b>                 | <b>0</b>                             | <b>0.0</b> |

**FY 2015-16 Year-to-Date Gross Appropriation ..... \$1,534,724,400**

**Changes from FY 2015-16 Year-to-Date:**

- 1. University Operations Increase.** The Governor included an overall \$59.8 million (4.4%) increase for university operations funded from the School Aid Fund (SAF) \$31.2 million, and the State General Fund \$28.6 million. The formula continues performance metrics used in FY 2015-16, but distributes half of the funding increase proportional to FY 2010-11 (across-the-board). Prerequisites for receiving performance funding are continued. Tuition restraint is set at 4.8% (FY 2015-16 tuition restraint was 3.2%). The increase brings overall funding for university operations back to its FY 2010-11 level (prior to the FY 2011-12 15.0% reduction). The Senate included the Governor's 4.4% increase, but removed the across-the-board increase for Eastern Michigan University and Oakland University (due to those institutions exceeding tuition restraint in FY 2015-16) and used that funding (\$2.6 million) as an equity payment to four universities that still have State funding levels below FY 2010-11 appropriations. Details of allocations by university are included in Tables 1 and 2.

59,787,400
- 2. MSU AgBioResearch.** AgBioResearch performs agricultural research to promote efficient production, marketing, distribution, and use of farm products. AgBioResearch receives funds from the Federal government under the Hatch Act, as well as State appropriations and local and private revenue. Examples of research conducted include quality and yield-related properties of dry beans, production of leaner, low-fat meat products, and plant biotechnology. AgBioResearch and MSU Extension Services are partners with MSU in both Project GREEN (Generating Research and Extension to meet Economic and Environmental Needs) and the animal health diagnostic laboratory. The Governor and Senate included a 2.3% GF/GP increase for MSU AgBioResearch, increasing funding from \$32,508,300 to \$33,243,100. This brings MSU AgBioResearch back to its funding level in FY 2010-11.

734,800

- 3. **MSU Extension.** MSU Extension Services identify and solve farm, home, and community problems through the practical application of Federal and State research findings. MSU Extension Services receives funds from the Federal government under the Smith-Lever Act and the Food and Agriculture Act, as well as State appropriations and local and private revenue. MSU Extension Services operates Michigan's Expanded Food and Nutrition Education Program (EFNEP), serves as a resource for youth 4-H programs, and provides information on family financial planning. The Governor and Senate included a 2.4% GF/GP increase for MSU Extension, increasing funding from \$27,994,800 to \$28,672,600. This brings MSU Extension back to its funding level in FY 2010-11.

677,800
  
- 4. **Michigan Public School Employees Retirement System (MPERS) Rate Cap.** The Governor and Senate increased appropriations from \$5,160,000 to \$5,890,000 based on implementing an employer's cap on contributions for MPERS unfunded accrued liability (UAL) payments (25.73% of payroll). The affected universities include Central, Eastern, Ferris, Lake Superior, Michigan Tech, Northern, and Western. Payments by the State for the cap will increase from \$5.2 million in FY 2015-16 to \$10.3 million in FY 2035-36. Over that time period, the cost to the State is estimated at \$156.1 million.

730,000
  
- 5. **Tuition Incentive Program (TIP).** The Tuition Incentive Program (TIP) is a financial aid program targeted toward low-income middle school and high school students. It was established in FY 1986-87 through language in the Department of Social Services appropriation bill and was eventually transferred to the Higher Education budget in FY 1992-93. The TIP provides an incentive to students to complete high school and go on to college by pledging to pay their tuition and fees for associate degree or certificate programs (Phase I), as well as up to \$2,000 at a four-year institution (Phase II). Students in grades 6 through 12 who are Medicaid-eligible for 24 months in a 36-consecutive-month period can qualify for TIP. The Governor recommended increasing the TIP appropriation from \$48.5 million to \$50.5 million based on program costs, funded by Federal Temporary Assistance for Needy Families (TANF) funds. The Senate concurred with the Governor. The \$2.0 million increase is also recommended by the Governor for inclusion in an FY 2015-16 supplemental.

2,000,000
  
- 6. **Tuition Grants.** Public Act 313 of 1966 established Tuition Grants. Undergraduate students at Michigan two-year and four-year private institutions are eligible for up to 10 semesters (graduate students are eligible for up to six semesters if funds are sufficient), if they have financial need. The minimum annual grant stated in the Section 252 boilerplate is \$1,512. The Senate increased funding by \$748,800 TANF (2.2%), from \$34,035,500 to \$34,784,300.

748,800
  
- 7. **Competitive Scholarships.** Public Act 208 of 1964 created State Competitive Scholarships. Undergraduate students at Michigan two-year and four-year public and private institutions are eligible for up to 10 semesters (graduate students are eligible for up to six semesters if funds are sufficient) if they have financial need and a qualifying ACT score. The minimum annual grant stated in Section 251 is \$575. The Senate increased funding by \$404,000 TANF (2.2%), from \$18,361,700 to \$18,765,700.

404,000
  
- 8. **Comparison to Governor's Recommendation.** The Senate is \$1,152,800 Gross over and \$0 GF/GP over/under the Governor.

|                     |              |
|---------------------|--------------|
| Total Changes ..... | \$65,082,800 |
|---------------------|--------------|

|  |                        |
|--|------------------------|
| <b>FY 2016-17 Senate-Passed Gross Appropriation.....</b> | <b>\$1,599,807,200</b> |
|--|------------------------|

**Boilerplate Changes from FY 2015-16 Year-to-Date:**

- 1. **Budget Transparency.** Posting of financial and other information on university websites. Governor eliminated the State Budget Director's authority to determine compliance and withhold funding for noncompliance. Senate restored provisions eliminated by the Governor. (Sec. 245)
  
- 2. **State Tuition Grant Program.** Governor changed the application deadline from July 1, to March 1; eliminated the carryforward of unexpended grants; reduced the limit on how much can be awarded to students at a single institution from \$3.2 million to \$3.0 million; and updated date references. Senate increased the limit for a single institution from \$3.2 million to \$3.3 million. Senate maintained the current application deadline and carryforward provisions. (Sec. 252)

3. **Financial Aid.** Governor changed the payment schedule for the Tuition Incentive Program from 50% paid at the beginning of the State's first fiscal quarter, 30% during the State's second fiscal quarter, 10% during the State's third fiscal quarter, and 10% during the State's fourth fiscal quarter; to 55% in the 1<sup>st</sup> quarter, 40% in the 2<sup>nd</sup> quarter, and 5% in the 3<sup>rd</sup> quarter. Senate concurred with the Governor. (Sec. 254)
4. **Tuition Incentive Program.** Governor added a new subsection stating that beginning in FY 2017-18, the Department of Treasury shall not award more than \$8.5 million annually to eligible students enrolled in the same college or university. Governor also changed the reference from "general education development" to "high school equivalency" and clarified a requirement in (4) (C) as 24 months within 36 "consecutive" months regarding Medicaid eligibility requirement. Senate included the technical adjustments made by the Governor but did not include the \$8.5 million per college cap recommended for FY 2017-18. Senate did include a new provision limiting expenditures for the program to the appropriation and authorizing the Department of Treasury to adjust individual award amounts accordingly. (Sec. 256)
5. **Tuition Restraint.** Governor increased the tuition restraint cap from 3.2% to 4.8%; clarified tuition and fee definition with cross-references to the Higher Education Institutional Data Inventory (HEIDI) definition; eliminated university-mandated health insurance from the definition of fees; and updated date references. The Senate concurred with the 4.8% cap, cross-references and technical changes. Senate did not eliminate university-mandated health insurance from the definition of fees. Senate added a new provision stating that a university that exceeds tuition restraint will not receive State funding for a capital outlay project in FY 2017-18 or FY 2018-19. (Sec. 265)
6. **Performance Funding.** Governor removed "or has made a good-faith effort" exception regarding prerequisite that a university has entered into reverse transfer agreements; clarified that participation in the Michigan Transfer Network includes "active" participation" and submission of "timely updates" to the Michigan Transfer Network; modified the formula to include half of the funding increase being allocated proportional to FY 2010-11 appropriation; specified that Carnegie classifications are those existing prior to February 1, 2016; eliminated legislative intent that, beginning in the next fiscal year, a university classified as improving is assigned a score of 1; and updated date references. The Senate include all of the changes except eliminating the intent to reduce the score for improving. (Sec. 265a)
7. **Indian Tuition Waiver.** Governor removed a legislative intent statement that funds be allocated from the General Fund for unfunded North American Indian tuition waiver costs incurred by public universities. Governor also replaced "postsecondary institution" with "public university" regarding the Department of Civil Rights reporting requirement for the Indian Tuition Waiver Program. The Senate restored the intent statement and revised and clarified reporting requirements. (Sec. 268)
8. **Academic Program Partnerships.** Senate added language that requires Michigan Community College Association, the Michigan Association of State Universities, and the Michigan Independent Colleges and Universities, on behalf of their member colleges and universities, to submit a comprehensive report detailing the number of academic program partnerships between public community colleges, public universities, and private colleges and universities. (Sec. 286a)
9. **Restored Provisions.** Senate restored the following sections: intent regarding appropriations for the next fiscal year (Sec. 236a); purchase of foreign automobiles prohibition (Sec. 239a); provision stating the acceptance and use of Federal or private funds does not place an obligation upon the Legislature to continue the purposes for which the funds are made available (portion of Sec. 242); intent regarding protection/preservation of U of M Douglas Lake Biological Station (Sec. 261); discouraged instruction activity (Sec. 271a); human embryonic stem cell research report (Sec. 274); Yellow Ribbon GI Education Enhancement Program notice/reporting requirements (portion of Sec. 275); and prohibits use of funds for the construction or maintenance of a self-liquidating project, requires compliance with Section 238 of 1984 PA 431 and Joint Capital Outlay Subcommittee use and finance requirements, and includes penalty provisions (Sec. 275a).
10. **Deleted Provisions.** Governor and Senate removed Federal Educational Rights & Privacy Act compliance (Sec. 293), and references to legislative intent in sections 263a and 275.

Date Completed: 5-4-16

Fiscal Analyst: Bill Bowerman

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberation.



**Table 1: FY 2016-17 Higher Education Appropriation**

| University                               | FY 2015-16<br>Year-To-Date | Governor                |                     |                   | Senate                 |                     |                   |
|--|----------------------------|-------------------------|---------------------|-------------------|------------------------|---------------------|-------------------|
|  |                            | FY 2016-17<br>Gov. Rec. | Dollar<br>Change    | Percent<br>Change | FY 2016-17<br>Senate   | Dollar<br>Change    | Percent<br>Change |
| Central                                  | \$81,127,100               | \$85,332,200            | \$4,205,100         | 5.2%              | \$85,332,200           | \$4,205,100         | 5.2%              |
| Eastern                                  | 71,782,500                 | 75,105,400              | 3,322,900           | 4.6%              | 73,505,300             | 1,722,800           | 2.4%              |
| Ferris                                   | 50,369,800                 | 53,210,000              | 2,840,200           | 5.6%              | 53,210,000             | 2,840,200           | 5.6%              |
| Grand Valley                             | 65,275,700                 | 69,712,000              | 4,436,300           | 6.8%              | 69,712,000             | 4,436,300           | 6.8%              |
| Lake Superior                            | 13,207,400                 | 13,748,400              | 541,000             | 4.1%              | 13,748,400             | 541,000             | 4.1%              |
| Michigan State                           | 268,770,700                | 279,126,200             | 10,355,500          | 3.9%              | 279,793,300            | 11,022,600          | 4.1%              |
| Michigan Tech                            | 46,754,700                 | 48,772,500              | 2,017,800           | 4.3%              | 48,772,500             | 2,017,800           | 4.3%              |
| Northern                                 | 45,107,700                 | 46,868,000              | 1,760,300           | 3.9%              | 46,868,000             | 1,760,300           | 3.9%              |
| Oakland                                  | 48,371,900                 | 51,300,200              | 2,928,300           | 6.1%              | 50,231,900             | 1,860,000           | 3.8%              |
| Saginaw Valley                           | 28,181,200                 | 29,582,900              | 1,401,700           | 5.0%              | 29,582,900             | 1,401,700           | 5.0%              |
| UM-Ann Arbor                             | 299,975,000                | 312,693,500             | 12,718,500          | 4.2%              | 313,360,600            | 13,385,600          | 4.5%              |
| UM-Dearborn                              | 24,033,100                 | 25,190,500              | 1,157,400           | 4.8%              | 25,190,500             | 1,157,400           | 4.8%              |
| UM-Flint                                 | 21,815,400                 | 22,918,300              | 1,102,900           | 5.1%              | 22,918,300             | 1,102,900           | 5.1%              |
| Wayne State                              | 191,451,300                | 198,082,800             | 6,631,500           | 3.5%              | 198,749,900            | 7,298,600           | 3.8%              |
| Western                                  | 104,334,100                | 108,702,100             | 4,368,000           | 4.2%              | 109,369,200            | 5,035,100           | 4.8%              |
| <b>Subtotal University Operations:</b>   | <b>\$1,360,557,600</b>     | <b>\$1,420,345,000</b>  | <b>\$59,787,400</b> | <b>4.4%</b>       | <b>\$1,420,345,000</b> | <b>\$59,787,400</b> | <b>4.4%</b>       |
| MPSERS Reimbursement                     | \$5,160,000                | \$5,890,000             | \$730,000           | 14.1%             | \$5,890,000            | \$730,000           | 14.1%             |
| MSU AgBioResearch                        | 32,508,300                 | 33,243,100              | 734,800             | 2.3%              | 33,243,100             | 734,800             | 2.3%              |
| MSU Extension                            | 27,994,800                 | 28,672,600              | 677,800             | 2.4%              | 28,672,600             | 677,800             | 2.4%              |
| Higher Education Database                | 200,000                    | 200,000                 | 0                   | 0.0%              | 200,000                | 0                   | 0.0%              |
| Midwest Higher Ed Compact                | 115,000                    | 115,000                 | 0                   | 0.0%              | 115,000                | 0                   | 0.0%              |
| King-Chavez-Parks                        | 2,691,500                  | 2,691,500               | 0                   | 0.0%              | 2,691,500              | 0                   | 0.0%              |
| <b>Total Universities</b>                | <b>\$1,429,227,200</b>     | <b>\$1,491,157,200</b>  | <b>\$61,930,000</b> | <b>4.3%</b>       | <b>\$1,491,157,200</b> | <b>\$61,930,000</b> | <b>4.3%</b>       |
| <b>School Aid Fund</b>                   | <b>205,179,500</b>         | <b>237,109,500</b>      | <b>\$31,930,000</b> | <b>15.6%</b>      | <b>237,109,500</b>     | <b>31,930,000</b>   | <b>15.6%</b>      |
| <b>State GF/GP</b>                       | <b>\$1,224,047,700</b>     | <b>\$1,254,047,700</b>  | <b>\$30,000,000</b> | <b>2.5%</b>       | <b>\$1,254,047,700</b> | <b>30,000,000</b>   | <b>2.5%</b>       |
| <b>Grants and Financial Aid</b>          |                            |                         |                     |                   |                        |                     |                   |
| State Competitive Scholarships           | \$18,361,700               | \$18,361,700            | \$0                 | 0.0%              | \$18,765,700           | \$404,000           | 2.2%              |
| Tuition Grants                           | 34,035,500                 | 34,035,500              | 0                   | 0.0%              | 34,784,300             | 748,800             | 2.2%              |
| Tuition Incentive Program (TIP)          | 48,500,000                 | 50,500,000              | 2,000,000           | 4.1%              | 50,500,000             | 2,000,000           | 4.1%              |
| Children of Veterans & Officer's Tuition | 1,400,000                  | 1,400,000               | 0                   | 0.0%              | 1,400,000              | 0                   | 0.0%              |
| Project Gear-Up                          | 3,200,000                  | 3,200,000               | 0                   | 0.0%              | 3,200,000              | 0                   | 0.0%              |
| <b>Total Grants/Financial Aid</b>        | <b>\$105,497,200</b>       | <b>\$107,497,200</b>    | <b>\$2,000,000</b>  | <b>1.9%</b>       | <b>\$108,650,000</b>   | <b>3,152,800</b>    | <b>3.0%</b>       |
| <b>Federal Higher Ed Act</b>             | <b>3,200,000</b>           | <b>3,200,000</b>        | <b>0</b>            | <b>0.0%</b>       | <b>3,200,000</b>       | <b>0</b>            | <b>0.0%</b>       |
| <b>Federal TANF</b>                      | <b>93,826,400</b>          | <b>95,826,400</b>       | <b>2,000,000</b>    | <b>2.1%</b>       | <b>96,979,200</b>      | <b>3,152,800</b>    | <b>3.4%</b>       |
| <b>Veterans Tax Check-off</b>            | <b>100,000</b>             | <b>100,000</b>          | <b>0</b>            | <b>0.0%</b>       | <b>100,000</b>         | <b>0</b>            | <b>0.0%</b>       |
| <b>State GF/GP</b>                       | <b>\$8,370,800</b>         | <b>\$8,370,800</b>      | <b>\$0</b>          | <b>0.0%</b>       | <b>\$8,370,800</b>     | <b>0</b>            | <b>0.0%</b>       |
| <b>TOTAL HIGHER EDUCATION</b>            |                            |                         |                     |                   |                        |                     |                   |
| <b>TOTAL ALL FUNDS</b>                   | <b>\$1,534,724,400</b>     | <b>\$1,598,654,400</b>  | <b>\$63,930,000</b> | <b>4.2%</b>       | <b>\$1,599,807,200</b> | <b>\$65,082,800</b> | <b>4.2%</b>       |
| <b>TOTAL FEDERAL</b>                     | <b>97,026,400</b>          | <b>99,026,400</b>       | <b>2,000,000</b>    | <b>2.1%</b>       | <b>100,179,200</b>     | <b>3,152,800</b>    | <b>3.2%</b>       |
| <b>TOTAL STATE RESTRICTED</b>            | <b>205,279,500</b>         | <b>237,209,500</b>      | <b>31,930,000</b>   | <b>15.6%</b>      | <b>237,209,500</b>     | <b>31,930,000</b>   | <b>15.6%</b>      |
| <b>TOTAL STATE GF/GP</b>                 | <b>\$1,232,418,500</b>     | <b>\$1,262,418,500</b>  | <b>\$30,000,000</b> | <b>2.4%</b>       | <b>\$1,262,418,500</b> | <b>\$30,000,000</b> | <b>2.4%</b>       |

Table 2: FY 2016-17 HIGHER EDUCATION - APPROPRIATIONS SENATE

| University                               | FY 2015-16<br>Year-To-Date<br>Appropriation | FY 2016-17 Adjustments        |                      |                    |                           |                                       |                                  |                    | FY 2016-17<br>Senate   | Dollar<br>Change<br>From<br>2015-16 | Percent<br>Change |
|--|---|-------------------------------|----------------------|--------------------|---------------------------|---------------------------------------|----------------------------------|--------------------|------------------------|-------------------------------------|-------------------|
|  |   | Proportional to<br>FY 2010-11 | Equity<br>Adjustment | Critical<br>Skills | Research &<br>Development | Metrics<br>based on<br>Carnegie Peers | Total<br>Formula<br>Distribution | Other<br>Changes*  |                        |                                     |                   |
| Central                                  | \$81,127,100                                | 1,686,526                     |                      | 353,218            | 36,356                    | 2,129,009                             | 4,205,100                        |                    | \$85,332,200           | \$4,205,100                         | 5.2%              |
| Eastern                                  | 71,782,500                                  | N/A                           |                      | 335,167            | 0                         | 1,387,614                             | 1,722,800                        |                    | 73,505,300             | 1,722,800                           | 2.4%              |
| Ferris                                   | 50,369,800                                  | 1,023,281                     |                      | 535,365            | 0                         | 1,281,530                             | 2,840,200                        |                    | 53,210,000             | 2,840,200                           | 5.6%              |
| Grand Valley                             | 65,275,700                                  | 1,304,408                     |                      | 525,520            | 0                         | 2,606,335                             | 4,436,300                        |                    | 69,712,000             | 4,436,300                           | 6.8%              |
| Lake Superior                            | 13,207,400                                  | 267,173                       |                      | 77,946             | 0                         | 195,826                               | 541,000                          |                    | 13,748,400             | 541,000                             | 4.1%              |
| Michigan State                           | 268,770,700                                 | 5,970,678                     | 667,100              | 1,135,139          | 822,172                   | 2,427,490                             | 11,022,600                       |                    | 279,793,300            | 11,022,600                          | 4.1%              |
| Michigan Tech                            | 46,754,700                                  | 1,008,653                     |                      | 370,038            | 135,436                   | 503,648                               | 2,017,800                        |                    | 48,772,500             | 2,017,800                           | 4.3%              |
| Northern                                 | 45,107,700                                  | 950,061                       |                      | 225,633            | 0                         | 584,616                               | 1,760,300                        |                    | 46,868,000             | 1,760,300                           | 3.9%              |
| Oakland                                  | 48,371,900                                  | N/A                           |                      | 459,061            | 23,933                    | 1,376,993                             | 1,860,000                        |                    | 50,231,900             | 1,860,000                           | 3.8%              |
| Saginaw Valley                           | 28,181,200                                  | 583,433                       |                      | 189,942            | 0                         | 628,304                               | 1,401,700                        |                    | 29,582,900             | 1,401,700                           | 5.0%              |
| UM-Ann Arbor                             | 299,975,000                                 | 6,656,159                     | 667,100              | 1,218,828          | 1,856,291                 | 2,987,358                             | 13,385,600                       |                    | 313,360,600            | 13,385,600                          | 4.5%              |
| UM-Dearborn                              | 24,033,100                                  | 520,408                       |                      | 178,455            | 0                         | 458,569                               | 1,157,400                        |                    | 25,190,500             | 1,157,400                           | 4.8%              |
| UM-Flint                                 | 21,815,400                                  | 439,837                       |                      | 228,915            | 0                         | 434,126                               | 1,102,900                        |                    | 22,918,300             | 1,102,900                           | 5.1%              |
| Wayne State                              | 191,451,300                                 | 4,507,632                     | 667,100              | 363,064            | 397,267                   | 1,363,567                             | 7,298,600                        |                    | 198,749,900            | 7,298,600                           | 3.8%              |
| Western                                  | 104,334,100                                 | 2,307,052                     | 667,100              | 446,753            | 50,067                    | 1,564,149                             | 5,035,100                        |                    | 109,369,200            | 5,035,100                           | 4.8%              |
| <b>Subtotal University Operations:</b>   | <b>\$1,360,557,600</b>                      | <b>\$27,225,301</b>           | <b>\$2,668,400</b>   | <b>\$6,643,044</b> | <b>\$3,321,522</b>        | <b>\$19,929,134</b>                   | <b>\$59,787,400</b>              | <b>\$0</b>         | <b>\$1,420,345,000</b> | <b>\$59,787,400</b>                 | <b>4.4%</b>       |
| MPSERS Reimbursement                     | \$5,160,000                                 |                               |                      |                    |                           |                                       |                                  | \$730,000          | \$5,890,000            | \$730,000                           | 14.1%             |
| MSU AgBioResearch                        | 32,508,300                                  |                               |                      |                    |                           |                                       |                                  | 734,800            | 33,243,100             | 734,800                             | 2.3%              |
| MSU Extension                            | 27,994,800                                  |                               |                      |                    |                           |                                       |                                  | 677,800            | 28,672,600             | 677,800                             | 2.4%              |
| Higher Education Database                | 200,000                                     |                               |                      |                    |                           |                                       |                                  |                    | 200,000                | 0                                   | 0.0%              |
| Midwest Higher Ed Compact                | 115,000                                     |                               |                      |                    |                           |                                       |                                  |                    | 115,000                | 0                                   | 0.0%              |
| King-Chavez-Parks                        | 2,691,500                                   |                               |                      |                    |                           |                                       |                                  |                    | 2,691,500              | 0                                   | 0.0%              |
| <b>Total Universities</b>                | <b>\$1,429,227,200</b>                      | <b>\$27,225,301</b>           | <b>\$2,668,400</b>   | <b>\$6,643,044</b> | <b>\$3,321,522</b>        | <b>\$19,929,134</b>                   | <b>\$59,787,400</b>              | <b>\$2,142,600</b> | <b>\$1,491,157,200</b> | <b>\$61,930,000</b>                 | <b>4.3%</b>       |
| <b>School Aid Fund</b>                   | <b>\$205,179,500</b>                        | <b>14,196,000</b>             | <b>1,404,000</b>     | <b>\$3,463,200</b> | <b>\$1,747,200</b>        | <b>10,389,600</b>                     | <b>31,200,000</b>                | <b>\$730,000</b>   | <b>237,109,500</b>     | <b>\$31,930,000</b>                 | <b>15.6%</b>      |
| <b>State GF/GP</b>                       | <b>\$1,224,047,700</b>                      | <b>\$13,029,301</b>           | <b>\$1,264,400</b>   | <b>\$3,179,844</b> | <b>\$1,574,322</b>        | <b>\$9,539,534</b>                    | <b>\$28,587,400</b>              | <b>\$1,412,600</b> | <b>\$1,254,047,700</b> | <b>\$30,000,000</b>                 | <b>2.5%</b>       |
| <b>Grants and Financial Aid</b>          |   |                               |                      |                    |                           |                                       |                                  |                    |                        |                                     |                   |
| State Competitive Scholarships           | \$18,361,700                                |                               |                      |                    |                           |                                       |                                  | \$404,000          | \$18,765,700           | \$404,000                           | 2.2%              |
| Tuition Grants                           | 34,035,500                                  |                               |                      |                    |                           |                                       |                                  | 748,800            | 34,784,300             | 748,800                             | 2.2%              |
| Tuition Incentive Program (TIP)          | 48,500,000                                  |                               |                      |                    |                           |                                       |                                  | 2,000,000          | 50,500,000             | 2,000,000                           | 4.1%              |
| Children of Veterans & Officer's Tuition | 1,400,000                                   |                               |                      |                    |                           |                                       |                                  | 0                  | 1,400,000              | 0                                   | 0.0%              |
| Project Gear-Up                          | 3,200,000                                   |                               |                      |                    |                           |                                       |                                  | 0                  | 3,200,000              | 0                                   | 0.0%              |
| <b>Total Grants/Financial Aid</b>        | <b>\$105,497,200</b>                        |                               |                      |                    |                           |                                       |                                  | <b>3,152,800</b>   | <b>\$108,650,000</b>   | <b>\$3,152,800</b>                  | <b>3.0%</b>       |
| <b>Federal Higher Ed Act</b>             | <b>3,200,000</b>                            |                               |                      |                    |                           |                                       |                                  | <b>0</b>           | <b>3,200,000</b>       | <b>0</b>                            | <b>0.0%</b>       |
| <b>Federal TANF</b>                      | <b>93,826,400</b>                           |                               |                      |                    |                           |                                       |                                  | <b>3,152,800</b>   | <b>96,979,200</b>      | <b>3,152,800</b>                    | <b>3.4%</b>       |
| <b>Veterans Tax Check-off</b>            | <b>100,000</b>                              |                               |                      |                    |                           |                                       |                                  | <b>0</b>           | <b>100,000</b>         | <b>0</b>                            | <b>0.0%</b>       |
| <b>State GF/GP</b>                       | <b>\$8,370,800</b>                          |                               |                      |                    |                           |                                       |                                  | <b>\$0</b>         | <b>\$8,370,800</b>     | <b>\$0</b>                          | <b>0.0%</b>       |
| <b>TOTAL HIGHER EDUCATION</b>            |   |                               |                      |                    |                           |                                       |                                  |                    |                        |                                     |                   |
| <b>TOTAL ALL FUNDS</b>                   | <b>\$1,534,724,400</b>                      | <b>\$27,225,301</b>           | <b>\$2,668,400</b>   | <b>\$6,643,044</b> | <b>\$3,321,522</b>        | <b>\$19,929,134</b>                   | <b>\$59,787,400</b>              | <b>\$5,295,400</b> | <b>\$1,599,807,200</b> | <b>\$65,082,800</b>                 | <b>4.2%</b>       |
| <b>TOTAL FEDERAL</b>                     | <b>97,026,400</b>                           | <b>0</b>                      | <b>0</b>             | <b>0</b>           | <b>0</b>                  | <b>0</b>                              | <b>0</b>                         | <b>3,152,800</b>   | <b>100,179,200</b>     | <b>3,152,800</b>                    | <b>3.2%</b>       |
| <b>TOTAL STATE RESTRICTED</b>            | <b>205,279,500</b>                          | <b>14,196,000</b>             | <b>1,404,000</b>     | <b>3,463,200</b>   | <b>1,747,200</b>          | <b>10,389,600</b>                     | <b>31,200,000</b>                | <b>730,000</b>     | <b>237,209,500</b>     | <b>31,930,000</b>                   | <b>15.6%</b>      |
| <b>TOTAL STATE GF/GP</b>                 | <b>\$1,232,418,500</b>                      | <b>\$13,029,301</b>           | <b>\$1,264,400</b>   | <b>\$3,179,844</b> | <b>\$1,574,322</b>        | <b>\$9,539,534</b>                    | <b>\$28,587,400</b>              | <b>\$1,412,600</b> | <b>\$1,262,418,500</b> | <b>\$30,000,000</b>                 | <b>2.4%</b>       |

N/A: Senate removed funding proportional to FY 11 base adjustments for Eastern and Oakland and used that funding for equity adjustments.

\*Other Changes column: MPSERS, MSU AgBioResearch and MSU Extension, State Competitive Scholarships, Tuition Grants, and Tuition Incentive Program.