

**FY 2016-17 EDUCATION OMNIBUS BUDGET**  
**Summary: Conference Report**  
**Senate Bill 801 (S-1) CR-1**



Mary Ann Cleary, Director

**TOTAL APPROPRIATIONS BY BUDGET AREA**

Budget Area (Bill Page) [Summary Page]	FY 2016-17		
	Gross	SAF	GF/GP
School Aid (3) [2]	\$14,161,842,100	\$12,052,309,300	\$218,900,000
Community College (307) [16]	395,925,600	260,414,800	135,510,800
Higher Education (335) [22]	1,582,640,400	237,109,500	1,243,904,500
<b>TOTAL</b>	<b>\$16,140,408,100</b>	<b>\$12,549,833,600</b>	<b>\$1,598,315,300</b>

*Note: Appropriation figures include all proposed appropriation amounts, including amounts designated as one-time.*

**FY 2016-17: SCHOOL AID**  
**Summary: Conference Report**  
**Article I, Senate Bill 801 (S-1) CR-1**



**Analysts: Bethany Wicksall**  
**Samuel Christensen**

	FY 2015-16 YTD as of 2/10/16	FY 2016-17 Executive	FY 2016-17 House	FY 2016-17 Senate	FY 2016-17 Conference	Difference: Conference From FY 2015-16 YTD Amount	%
<b>IDG/IDT</b>	\$0	\$0	\$0	\$0	\$0	\$0	--
<b>Federal</b>	1,775,769,200	1,818,632,700	1,818,632,700	1,818,632,700	1,818,632,700	42,863,500	2.4
<b>Local</b>	0	0	0	0	0	0	--
<b>Private</b>	0	0	0	0	0	0	--
<b>Restricted</b>	12,078,985,100	12,134,479,400	12,148,050,100	12,062,479,600	12,124,309,400	45,324,300	0.4
<b>GF/GP</b>	45,900,000	230,000,000	221,000,100	226,000,000	218,900,000	173,000,000	376.9
<b>Gross</b>	<b>\$13,900,654,300</b>	<b>\$14,183,112,100</b>	<b>\$14,187,682,900</b>	<b>\$14,107,112,300</b>	<b>\$14,161,842,100</b>	<b>\$261,187,800</b>	<b>1.9</b>

Notes: (1) FY 2015-16 year-to-date figures include mid-year budget adjustments through February 10, 2016. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The School Aid budget makes appropriations to the state's 541 local school districts, 300 public school academies, the Education Achievement System, and 56 intermediate school districts (ISDs) for operations and certain categorical programs. It also appropriates funds to the Center for Educational Performance and Information, the Workforce Development Agency, and other entities to implement certain grants and other programs related to K-12 education.

**Major Budget Changes From FY 2015-16 YTD Appropriations**

**1. Foundation Allowances (Secs. 22a and 22b)**

Executive increases foundations using the 2x funding formula with increases ranging from \$60 to \$120 per pupil. Increases the State Maximum Guaranteed Foundation (the Basic) from \$8,169 to \$8,229 and the Minimum Foundation from \$7,391 to \$7,511. The increase costs \$150.0 million, but after a cost reduction of \$126.7 million due to increasing local share from increasing taxable values and declining pupils, the net increase totals \$ 23.3 million. Adds \$72.0 million in Detroit Public Schools (DPS) Trust Funds to support the foundation allowance costs of the newly proposed Detroit Community district to offset the loss of local school operating millage revenue, which would be redirected to pay off the debts of the former district. Adds \$1.0 million to change the pupil membership blend from 90% of the October count plus 10% of the previous February count to 50% of the fall count plus 50% of the previous February count.

	FY 2015-16 Year-to-Date (as of 2/10/16)	FY 2016-17 Conference Change
<b>Gross</b>	<b>\$9,009,700,000</b>	<b>\$95,300,000</b>
Restricted	8,993,379,500	(60,782,300)
GF/GP	\$16,320,500	\$156,082,300

House concurs with Executive on foundation increases and \$72.0 million from the Community District Trust Funds for DPS. Revises the pupil membership blend to 85% of the current October count plus 15% of the previous October count. Includes \$13.5 million for proposed pupil membership blend changes.

Senate concurs with Executive on foundation increases. Does not include \$72.0 million from the Community District Trust Funds for DPS. Revises pupil membership blend to 75% of the current October count plus 25% of the previous February count and includes \$2.3 million for a proposed pupil membership blend change. Redirects \$9.0 million Sec. 20j adjustments to Sec. 20f.

Conference concurs with Executive, House, and Senate on foundation increases; concurs with Executive and House on funding for the Community District; does not include a change to the pupil membership blend; includes \$9.0 million for Sec. 20m (formerly 20j) calculations.

<b>Major Budget Changes From FY 2015-16 YTD Appropriations</b>		<b>FY 2015-16 Year-to-Date (as of 2/10/16)</b>	<b>FY 2016-17 Conference Change</b>
<b>2. MPERS Unfunded Liability – State Share (Sec. 147c)</b>	<b>Gross</b>	<b>\$893,500,000</b>	<b>\$89,300,000</b>
<u>Executive</u> increases funding for the state share of Michigan Public School Employees' Retirement System (MPERS) unfunded liability costs for districts, ISDs, and public libraries pursuant to PA 300 of 2012 by \$89.3 million, bringing the total to \$982.8 million.	Restricted	892,900,000	89,300,000
<u>House, Senate, and Conference</u> concur with Executive.	GF/GP	\$600,000	\$0
<b>3. Flint Declaration of Emergency (Sec. 11s) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$10,142,600</b>
<u>Executive</u> provides \$10.1 million for half-year funding to provide universal Early On testing to identify and provide services to children 0-3 (\$6.4 million), universal access to preschool for 4-year-olds (\$1.5 million), additional district school nurses and school social workers (\$1.3 million), and ISD staff and services including (\$1.0 million). Additional funding, if necessary, would be available for transfer from a \$50.0 million Flint Emergency Reserve Fund proposed in the FY 2015-16 supplemental for DTMB. Additionally, it would appropriate up to \$15.0 million in state restricted contingency funds, which would not be available for expenditure until approval of a transfer by the Legislature. (See FY 2015-16 supplemental items below.)	Restricted	0	100
<u>House, Senate, and Conference</u> concur with Executive but revises allocations to \$6.2 million for early intervention services and \$1.2 million for ISD staff and services.	GF/GP	\$0	\$10,142,500
<b>4. Statewide School Water Testing (Sec. 78) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$0</b>
<u>Executive</u> adds \$9.0 million to provide 2 <sup>nd</sup> of 3 years of funding to test school building water systems for lead.	Restricted	0	0
<u>House and Senate</u> did not include this section.			
<u>Conference</u> concurs with House and Senate (\$4.5 million in MDE budget.)			
<b>5. State School Reform/Redesign (Sec. 21) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$5,000,000</b>
<u>Executive</u> adds \$5.0 million for CEOs and supplemental payments to districts with schools identified as being in the lowest achieving 5% of public schools in the state and under the control of the State School Reform/Redesign Office (SRRO). Districts would receive a 20% foundation allowance premium for each high school FTE to compensate for the loss in foundation allowance funds remaining with elementary FTEs, since elementary foundation allowance funds often subsidize higher cost secondary schools, but would no longer be available to do so under a takeover. (See FY 2015-16 supplemental items below.)	Restricted	0	5,000,000
<u>House</u> includes with a \$100 placeholder.			
<u>Senate</u> concurs with the Executive but restricts funds from being used for a district operating under a local government option of the Local Financial Stability and Choice Act.			
<u>Conference</u> concurs with Senate.			
<b>6. Competency-Based Funding Pilot (Sec. 21g) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$500,000</b>
<u>House</u> provides \$1.0 million GF/GP to pilot a competency-based transcript and market place to establish an articulation framework for Michigan academic, technical, and global competencies and to establish assessment criteria for measuring these competencies and awarding universally recognized credentials.	GF/GP	0	500,000
<u>Senate</u> does not include.			
<u>Conference</u> includes \$500,000.			

<b>Major Budget Changes From FY 2015-16 YTD Appropriations</b>		<b>FY 2015-16 Year-to-Date (as of 2/10/16)</b>	<b>FY 2016-17 Conference Change</b>
<b>7. Consolidation Innovation Grants (Sec. 22g)</b>			
<u>Executive and House</u> maintain current law.	<b>Gross</b>	<b>\$5,000,000</b>	<b>(\$2,000,000)</b>
<u>Senate</u> adds \$1.5 million SAF for FY 2016-17. Allocates \$1.0 million for grants to districts or ISDs for feasibility studies to explore dissolution, consolidation, or annexation. Allocates \$2.5 million for grants to districts that received a grant in FY 2015-16 for reimbursement of remaining transition costs. Allocates \$3.0 million for grants to districts or ISDs which 1) had a feasibility study that determined dissolution, consolidation, or annexation was in the districts' best interest; 2) had the potential for fiscal stress declared by the State Treasurer; or 3) is required to submit an enhanced deficit elimination plan because the State Treasury determined that the district is subject to rapidly deteriorating financial circumstances.	Restricted	5,000,000	(2,000,000)
<u>Conference</u> reduces to \$3.0 million and earmarks \$2.5 million for grant to district that approved annexation and received a grant in FY 2015-16.			
<b>8. Youth Challenge Program (Sec. 24c)</b>			
<u>Executive and House</u> increase the appropriation by \$25,000 SAF, reflecting economics increases, for a total of \$1.5 million.	<b>Gross</b>	<b>\$1,497,400</b>	<b>\$135,000</b>
<u>Senate</u> concurs on economics increases and adds an additional \$210,000.	Restricted	1,497,400	135,000
<u>Conference</u> concurs on economics and adds an additional \$110,000 for a total of \$1.6 million SAF.			
<b>9. Strict Discipline Academies (Sec. 25f)</b>			
<u>Executive and House</u> decrease the appropriation for the added costs of educating strict discipline academy pupils to \$250,000 SAF.	<b>Gross</b>	<b>\$1,000,000</b>	<b>(\$250,000)</b>
<u>Senate</u> maintained current-year appropriation levels.	Restricted	1,000,000	(250,000)
<u>Conference</u> reduces to \$750,000 SAF.			
<b>10. Dropout Recovery Programs (Sec. 25g)</b>			
<u>Executive and House</u> decrease the appropriation for the additional costs of educating pupils in a year-round dropout recovery program to \$250,000 SAF.	<b>Gross</b>	<b>\$1,000,000</b>	<b>(\$250,000)</b>
<u>Senate</u> maintained current-year appropriation levels.	Restricted	1,000,000	(250,000)
<u>Conference</u> reduces to \$750,000 SAF.			
<b>11. "At Risk" Pupil Support (Sec. 31a)</b>			
<u>Executive</u> maintains current year appropriation levels.	<b>Gross</b>	<b>\$378,988,200</b>	<b>\$0</b>
<u>House</u> increases by \$18.0 million to allow both Hold Harmless and Out-of-Formula districts to be eligible for partial funding.	Restricted	378,988,200	0
<u>Senate</u> concurs with Executive.			
<u>Conference</u> concurs with Executive and Senate.			
<b>12. Year-Round School Grants (Sec. 31b) – NEW</b>			
<u>House</u> adds \$3.5 million for grants to districts for building modifications or other nonrecurring costs related to implementing a new year-round school.	<b>Gross</b>	<b>\$0</b>	<b>\$1,500,000</b>
<u>Senate</u> does not include.	Restricted	0	1,500,000
<u>Conference</u> includes \$1.5 million SAF.			
<b>13. Gang Prevention Grants (Sec. 31c)</b>			
<u>Executive</u> eliminates funding of \$1.0 million and repeals Sec. 31c.	<b>Gross</b>	<b>\$1,000,000</b>	<b>\$2,000,000</b>
<u>House</u> increases funding by \$3.0 million for a total of \$4.0 million.	Restricted	1,000,000	2,000,000
<u>Senate</u> concurs with Executive.			
<u>Conference</u> includes \$3.0 million SAF.			
<b>14. Local Produce in School Meals (Sec. 31j) – NEW</b>			
<u>Senate</u> adds \$500,000 GF/GP for a pilot project to support districts in the purchase of locally grown fruits and vegetables for use in school lunches. This appropriation would be distributed to districts in Prosperity regions 2, 4, and 6 at a reimbursement rate of 10 cents per meal, with priority to districts with a high percentage of kids eligible for free lunch.	<b>Gross</b>	<b>\$0</b>	<b>\$250,000</b>
<u>Conference</u> includes \$250,000 GF/GP and limits to regions 2 and 4.	GF/GP	\$0	\$250,000

<b>Major Budget Changes From FY 2015-16 YTD Appropriations</b>		<b>FY 2015-16 Year-to-Date (as of 2/10/16)</b>	<b>FY 2016-17 Conference Change</b>
<b>15. Early Learning Cooperative (Sec. 32q) – NEW</b>			
<u>Senate</u> adds \$175,000 GF/GP for FY 2016-17 for a district partnering with an early childhood collaborative on a pilot program to evaluate the benefits of 2 years of preschool for vulnerable children, with the intent that the funding would be the 1 <sup>st</sup> of 3 years of funding.	<b>Gross</b>	<b>\$0</b>	<b>\$175,000</b>
<u>Conference</u> includes \$175,000 SAF to an ISD in county with population between 500,000 and 800,000, in which there is an early learning collaborative.	Restricted	0	175,000
<b>16. Early Literacy (3<sup>rd</sup> Grade Reading) Initiative (Sec. 35 and 35a)</b>			
<u>Executive</u> reduces funding by \$2.5 million by eliminating Parent University (\$1.0 million), Michigan Education Corps (\$1.0 million), and one-time funding for an early literacy certification test (\$500,000). Maintains funding for administration (\$1.0 million), professional development (\$950,000), diagnostic tools (\$1.5 million), literacy teacher coaches (\$3.0 million), and added instructional time (\$17.0 million).	<b>Gross</b>	<b>\$26,400,000</b>	<b>(\$1,500,000)</b>
<u>House</u> concurs with Executive.	Restricted	23,900,000	(1,000,000)
<u>Senate</u> concurs but maintains the Michigan Education Corps (\$1.0 million).	GF/GP	\$2,500,000	(\$500,000)
<u>Conference</u> concurs with Senate. (See FY 2015-16 supplemental items below.)			
<b>17. Special Education Reforms (Sec. 54b) – NEW</b>			
<u>Executive</u> adds \$1.4 million for the implementation of recommendations of the Special Education Reform Task Force published in January 2016. \$750,000 would be used to pilot statewide implementation of the Michigan Integrated Behavior and Learning Support Initiative (MiBLSI), a program of positive behavioral intervention and supports, in at least 3 ISDs. \$620,000 would be used for training related to the safe implementation of emergency restraints and seclusion.	<b>Gross</b>	<b>\$0</b>	<b>\$1,125,000</b>
<u>House and Senate</u> concur with Executive.	Restricted	0	1,125,000
<u>Conference</u> includes a total of \$1.1 million including \$625,000 for MiBLSI and \$500,000 for emergency restraints and seclusion training.			
<b>18. Career and Technology Education Programs (Sec. 61a)</b>			
<u>Executive</u> maintains current year appropriation levels.	<b>Gross</b>	<b>\$36,611,300</b>	<b>\$79,000</b>
<u>House</u> includes \$115,000 GF/GP to a non-profit organization that provides curriculum and training to CTE programs in restaurant management and culinary training.	Restricted	36,611,300	0
<u>Senate</u> concurs with House but moves \$100,000 GF/GP for restaurant and culinary CTE to new Sec. 61e.	GF/GP	\$0	\$79,000
<u>Conference</u> concurs with House but includes \$79,000 GF/GP for restaurant and culinary CTE program.			
<b>19. CTE Early/Middle Colleges (Sec. 61b)</b>			
<u>Executive</u> increases funding to \$15.0 million for career & technical education (CTE) early/middle colleges that allow a student to graduate in 5 years with both a high school diploma and postsecondary credentials. Revises to make districts that receive funding for CTE program added costs under Section 61a eligible for funding under this section, as long as combined payments under Sections 61a and 61b do not exceed the total allowable costs of the program.	<b>Gross</b>	<b>\$10,000,000</b>	<b>(\$1,000,000)</b>
<u>House</u> concurs with Executive recommendation increase but allows up to \$500,000 for grants for planning new or expanded programs and caps planning grants to \$50,000 per program.	Restricted	10,000,000	(1,000,000)
<u>Senate</u> maintains current year appropriation levels, but allows unused funds to be used for planning, development, or expansion grants.			
<u>Conference</u> reduces to \$9.0 million and expands to allow funds to be used for CTE dual enrollment and to include \$500,000 in planning grants for new or expanded programs. (See FY 2015-16 supplemental items below.)			

<b>Major Budget Changes From FY 2015-16 YTD Appropriations</b>		<b>FY 2015-16 Year-to-Date (as of 2/10/16)</b>	<b>FY 2016-17 Conference Change</b>
<b>20. CTE Equipment Upgrades (Sec. 61c) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$3,200,000</b>
<u>Executive</u> provides \$10.0 million in a competitive grant program to districts and ISDs to improve capital infrastructure for their CTE programs including the purchase of equipment, renovations related to installation of equipment, installation costs, and training for instructors providing instruction using the equipment. Caps individual grant awards at \$500,000. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive appropriation amount but revises to provide funds to cooperating education policy districts (CEPDs) for programs driving economic development and building a more qualified workforce. <u>Conference</u> includes \$3.0 million and concurs with Senate distribution of funds. Also includes \$200,000 for a CTE program in mechatronics.	Restricted	0	3,200,000
<b>21. Educational Pipeline Grant (Sec. 61d) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$0</b>
<u>Senate</u> adds \$500,000 GF/GP for a competitive grant program to create a seamless educational and career pipeline from kindergarten through college. <u>Conference</u> does not include.	GF/GP	\$0	\$0
<b>22. CTE (ISD/Health Department) Partnership (Sec. 63) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$250,000</b>
<u>Senate</u> adds \$500,000 SAF to an ISD for a joint capital project with a local health department for a new building connected to the ISD CTE center. <u>Conference</u> includes \$250,000 SAF.	Restricted	0	250,000
<b>23. Intermediate School District (ISD) General Operations (Sec. 81)</b>	<b>Gross</b>	<b>\$67,108,000</b>	<b>\$0</b>
<u>Executive</u> increases ISD funding by 1.6%, or \$1.1 million, to a total of \$68.2 million. <u>House</u> and <u>Senate</u> concur with Executive. <u>Conference</u> maintains FY 2015-16 funding levels.	Restricted	67,108,000	0
<b>24. Educator Evaluations (Sec. 95a)</b>	<b>Gross</b>	<b>\$0</b>	<b>\$0</b>
<u>Executive</u> adds \$10.0 million into the Educator Evaluation reserve fund to provide training in educator evaluation systems. <u>House</u> instead adds \$100 placeholder in Sec. 95b for a statewide student growth tool for the purposes of educator evaluations. <u>Senate</u> includes a \$100 placeholder. <u>Conference</u> does not include this section.	Restricted	0	0
<b>25. Michigan Virtual University (MVU) (Sec. 98)</b>	<b>Gross</b>	<b>\$7,387,500</b>	<b>\$0</b>
<u>Executive</u> and <u>House</u> maintain FY 2015-16 funding levels. <u>Senate</u> reduces appropriation to \$7.0 million GF/GP for FY 2016-17. Adds requirement that MVU report by Nov. 1, 2016 on its mission, its plans, and proposed benchmarks it must meet, including a plan to increase by 50% improvement for each requirement under this section in order to receive full funding for FY 2017-18, with a progress report by March 1, 2017. Also, expands profession development requirements from 500 educators to 30,000 and requires coordination with Math/Science Centers. <u>Conference</u> maintains FY 2015-16 funding levels and concurs with Senate boilerplate.	GF/GP	\$7,387,500	\$0
<b>26. FIRST Robotics (Sec. 99h)</b>	<b>Gross</b>	<b>\$2,000,000</b>	<b>\$500,000</b>
<u>Executive</u> increases funding for district grants for FIRST Robotics programs to a total of \$2.5 million. <u>House</u> maintains current year appropriation. <u>Senate</u> concurs with Executive. <u>Conference</u> concurs with Executive and Senate and expands to include programs in grades K-12 including Jr. Lego and Lego.	Restricted	2,000,000	500,000

<b>Major Budget Changes From FY 2015-16 YTD Appropriations</b>	<b>FY 2015-16 Year-to-Date (as of 2/10/16)</b>	<b>FY 2016-17 Conference Change</b>	
<b>27. MiSTEM Grants (Sec. 99s)</b>	<b>Gross</b>	<b>\$9,274,300</b>	<b>\$275,000</b>
<u>Executive</u> adds \$1.3 million bringing total funding to \$10.5 million. Maintains existing funding for Math/Science Centers (\$8.0 million). Rolls up funding currently going to Science Olympiad, STEM professional development, MI STEM Partnership, and VanAndel Institute along with the increased \$1.3 million to implement grants based on the MiSTEM Council recommendations.	Federal	5,249,300	0
	Restricted	3,250,000	(250,000)
	GF/GP	\$775,000	\$525,000
<u>House</u> maintains current year appropriation total, and maintains current year individual grant levels, but revises Math/Science Center funding as follows: creates 10 MiSTEM Centers in each prosperity region (with an ISD fiscal agent for each); MiSTEM Centers would coordinate with the MiSTEM council and Change the Equation STEMworks and distribute at least half of the funding to districts for participation in eligible STEM programs.			
<u>Senate</u> adds \$2.3 million bringing total funding to \$11.5 million. Increases funding for MiSTEM council grants by \$1.5 million, increases state funding to Math and Science centers by \$1.0 million, and increases funding to Science Olympiad and Van Andel Education Institute by \$250,000 each. Eliminates Michigan STEM Partnership and STEM Professional Development.			
<u>Conference</u> adds total of \$275,000 bringing total to \$9.4 million. Maintains current year funding for Math/Science Centers, Science Olympiad and Van Andel Institute; eliminates Michigan STEM Partnership and STEM Professional Development; adds \$1.0 million for MiSTEM council grants and requires MiSTEM council to be trained in and use Change the Equation STEMworks rating system to rate programs funded by the council.			
<b>28. Online Algebra tool (Sec. 99t) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$1,500,000</b>
<u>House</u> provides \$2.0 million GF/GP for a statewide online algebra tool that provides students with algebra related videos, adaptive diagnostics, online supports, practice assessments, and professional development for teachers.	GF/GP	\$0	\$1,500,000
<u>Senate</u> provides \$100 GF/GP for a statewide online algebra tool.			
<u>Conference</u> includes \$1.5 million GF/GP.			
<b>29. Financial Data Analysis Tools (Sec. 102d)</b>	<b>Gross</b>	<b>\$1,500,000</b>	<b>\$0</b>
<u>Executive</u> maintains current year appropriation levels.	Restricted	1,500,000	0
<u>House</u> adds \$100,000 SAF to add reimbursements to ISDs.			
<u>Senate</u> maintains current year appropriation levels but adds ISDs as eligible recipients. Provides a reimbursement formula that first funds up to 50% of the cost for each district and ISD that applies and second distributes remaining funds on an equal per-pupil basis. Caps reimbursement at total cost and restricts to not more than 1 software application per district or ISD.			
<u>Conference</u> concurs with Senate.			
<b>30. M-STEP Assessments (Sec. 104)</b>	<b>Gross</b>	<b>\$50,244,400</b>	<b>(\$10,100,000)</b>
<u>Executive</u> reduces by \$10.1 million bringing total funding for student assessments to \$40.1 million. Eliminates \$8.5 million in one-time funding to convert assessments to online tests, expand writing assessments to additional grades, and create additional constructed response test questions, all of which has been completed. Also eliminates funding that had supported the Kindergarten Entry Assessment (KEA), which has been replaced by a kindergarten summative assessment.	Restricted	43,994,400	(10,100,000)
<u>House</u> reduces funding by \$22.0 million and eliminates the M-STEP. The remaining \$22.0 million SAF and \$6.3 million Federal funding would instead be used for a statewide contract for a computer adaptive test, which would replace M-STEP.	Federal	6,250,000	0
<u>Senate</u> provides \$41.1 million gross for student assessments. Includes \$1.1 million for a pilot literacy preparation initiative for grades K-8. Also includes \$250,000 to districts that use the KEAA developed for FY 2015-16.			
<u>Conference</u> concurs with Executive but requires MDE make the KEA available to districts, and allocates \$185,000 to implement a kindergarten readiness assessment (KRA) in participation with a Maryland-Ohio pilot.			

<b>Major Budget Changes From FY 2015-16 YTD Appropriations</b>		<b>FY 2015-16 Year-to-Date (as of 2/10/16)</b>	<b>FY 2016-17 Conference Change</b>
<b>31. Nonpublic School Reimbursements (Sec. 152b) – NEW</b>	<b>Gross</b>	<b>\$0</b>	<b>\$2,500,000</b>
<u>House</u> adds \$1.0 million SAF to reimburse nonpublic schools for the costs related to activities identified in the nonpublic schools mandate report required under Sec. 236 of PA 252 of 2014.	GF/GP	\$0	\$2,500,000
<u>Senate</u> concurs but appropriates \$5.0 million GF/GP.			
<u>Conference</u> includes \$2.5 million GF/GP.			
<b>32. Technology Readiness Infrastructure Grants (Sec. 22i)</b>	<b>Gross</b>	<b>\$23,500,000</b>	<b>(\$23,500,000)</b>
<u>Executive</u> eliminates funding and repeals this section.	Restricted	23,500,000	(23,500,000)
<u>House, Senate, and Conference</u> concur with Executive.			
<b>33. Other Program Eliminations</b>	<b>Gross</b>	<b>\$6,160,000</b>	<b>(\$1,860,000)</b>
<u>Executive</u> eliminates funding and repeals the following sections:	Restricted	4,360,000	(60,000)
• Sec. 31h – Cooperative Education (Albion/Marshall) - \$300,000	GF/GP	\$1,800,000	(\$1,800,000)
• Sec. 43 – Teacher Certification Test Rewrite - \$1.8 million			
• Sec. 99c – Civics Education - \$60,000			
• Sec. 104d – Computer Adaptive Tests - \$4.0 million			
<u>House</u> concurs with repealing of sections 31h, 43, 99c, and 104d.			
<u>Senate</u> concurs with repealing Sec. 43 but maintains funding for Sec. 31h and Sec. 99c, and increases Sec. 104d by \$5.5 million.			
<u>Conference</u> repeals Secs. 43 and 99c but maintains funding for Secs. 31h and 104d.			
<b>34. Michigan College Access Network (MCAN) (Sec. 67)</b>	<b>Gross</b>	<b>\$3,600,000</b>	<b>(\$550,000)</b>
<u>Executive</u> reduces funding by \$550,000 to eliminate one-time funding for an online career planning tool, leaving \$3.1 million for the balance of MCAN efforts to expand access to college.	Restricted	3,600,000	(550,000)
<u>House, Senate, and Conference</u> concur with Executive.			
<b>35. Special Education (Sec. 51a, 51c, 51d, 53a, 54, and 56)</b>	<b>Gross</b>	<b>\$1,359,546,100</b>	<b>\$54,500,000</b>
<u>Executive</u> increases funding for special education by \$54.5 million to a total of \$1.4 billion to reflect updated estimates. (See FY 2015-16 supplemental items below.)	Restricted	918,546,100	54,500,000
<u>House, Senate, and Conference</u> concur with Executive.	Federal	441,000,000	0
<b>36. Other Cost Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>(\$8,286,700)</b>
<u>Executive</u> adjusts appropriation levels based on actual prior year costs for the following:	Restricted	NA	(8,286,700)
• Sec. 11m - Cash Flow Borrowing Costs - \$1.0 million increase to \$3.0 million.			
• Sec. 26a - Renaissance Zones - \$6.3 million decrease to \$20.0 million.			
• Sec. 31f - School Breakfast Program - \$3.1 million decrease to \$2.5 million.			
• Sec. 24a - Juvenile Detention Facilities - \$861,700 decrease to \$1.3 million.			
<u>House, Senate, and Conference</u> concur with Executive.			
<b>37. Federal NCLB/ESSA Funding (Sec. 39a(1))</b>	<b>Gross</b>	<b>\$779,076,400</b>	<b>\$42,863,400</b>
<u>Executive</u> recognizes increase in funding under the new Every Student Succeeds Act (ESSA) of \$55.9 million for student support and academic enrichment. Reduces Drug-Free School and Community funds by \$3.0 million to a total of \$2.0 million, and eliminates all but \$250,000, a reduction of \$10.0 million, in charter school subgrant funds.	Federal	779,076,400	42,863,400
<u>House, Senate, and Conference</u> concur with Executive.			



## **Major Boilerplate Changes From FY 2015-16**

### **Sec. 3. Definitions – REVISED**

Senate adds a new definition for "community district" as defined under Part B of the Revised School Code, as proposed in the Detroit Public Schools legislative package.

Conference concurs with Senate.

### **Sec. 6. Pupil Membership Definitions – REVISED**

Executive revises pupil membership blend in (4) from 90% of the October count plus 10% of the prior February count to 50% fall count plus 50% prior February count. Caps the number for which a district may claim a nonpublic school pupil membership, for the purposes of receiving state aid, at no more than 1/3 of an FTE for grades 1 to 12 to align it with Sec. 166b, which requires that a nonpublic student be part-time and limited to nonessential elective courses. (See also Sec. 166b below). Strikes language added in FY 2015-16 that would count allow a student to be counted as homeless if he or she was counted in membership in FY 2014-15 even if the student didn't meet the Federal homeless definition.

House revises pupil membership blend in (4) to 85% of the current October count plus 15% of the previous October count. Does not cap the number of FTEs a nonpublic school pupil membership. House concurs to strike the homeless exception added in FY 2015-16. Adds that for a special education student who was expelled on the pupil count day but reinstated after, the district's membership shall be adjusted to count the student.

Senate revises pupil membership blend in (4) to 75% of pupils counted on the October count day plus 50% of pupils counted on the prior February count day. Revises the proposed cap on nonpublic school FTEs to 1/2 of an FTE. Expands the pupils allowed in an alternative education program to be educated until age 22 as long as program is "primarily focused on educating pupils with extreme barriers to education such as being homeless..." rather than the pupil actually is homeless. Revises the prohibition on establishing an instructional site within the boundaries of another district to provide an exception for the Michigan Youth Challenge Program (MYCP). Revises one of the count days for the MYCP, which is a residential 11-month program from the fourth Wednesday in July to the fourth Wednesday in August.

Conference maintains current law pupil membership blend; includes no cap on nonpublic school FTEs; concurs with House to adjust memberships for expelled, but reinstated, special education students; concurs with Senate on alternative education programs primarily focused on pupils with extreme barriers to education; concurs with Senate to allow MYCP to establish an existing instructional site in another district.

### **Sec. 11r. Distressed District Emergency Grant Fund – REVISED**

Conference provides that \$2.8 million of the \$3.8 million remaining in the fund shall lapse to the School Aid fund for FY 2015-16.

### **Sec. 19. Reporting Requirements – REVISED**

Executive deletes legislative intent that MDE and CEPI begin implementing statewide standard reporting requirements for districts in 2016-17.

House concurs with Executive.

Senate requires that MDE and CEPI begin implementing statewide standard reporting requirements in 2016-2017 and requires that districts and ISDs implement beginning in FY 2017-18 or whenever a district or ISD updates its education data reporting system, whichever is later.

Concurs with Senate.

### **Sec. 20. Foundation Allowance Calculation – REVISED**

Executive increases minimum foundation to \$7,511 and the basic foundation to \$8,229; makes adjustments to reflect Section 20j.

House concurs with Executive.

Senate concurs with Executive and adds that a community district would have a foundation allowance equal to the qualifying school district that it is replacing. Also, provides that for a district receiving a consolidation grant under Sec. 22g, for the first two years, its new foundation allowance would be the pupil weighted average plus \$300.

Conference concurs with Executive, House, and Senate on foundation allowance increases, and includes adjustments for community district.

### **Sec. 20g. Dissolved District Transition Grant – REVISED**

Senate adds legislative intent that \$660,000 from the FY 2013-14 work project be used to pay off the former Buena Vista District debt because voters twice rejected a reauthorization of its nonhomestead school operating mills.

Conference provides intent to lapse \$660,000 in work project funds and includes an FY 2016-17 appropriation to pay off the Buena Vista debt.

## **Major Boilerplate Changes From FY 2015-16**

### ***Sec. 20m (20j). Foundation Calculations for Hold Harmless Districts – NEW***

Executive due to an inflationary cap on Hold Harmless (HH) District Foundation Allowances, which was put in statute along with the school funding reforms tied to Proposal A in 1994, HH districts (currently foundation allowances greater than \$8,169) would be capped at increases ranging from \$8-\$15. The Executive budget reintroduces former Section 20j, which would allow the difference between each HH district's inflationary increase and the \$60 increase in the State Maximum Guaranteed foundation allowance to be allocated under a separate calculation than its foundation calculation in Sec. 20.

House concurs with Executive.

Senate concurs with Executive but moves to a categorical in Section 20f rather than funding as a foundation allowance adjustment.

Conference concurs with Executive and House but renames it Section 20m.

### ***Sec. 21f. Virtual Classes – REVISED***

- Executive requires a district to provide written notification and a description of appeal process if denying enrollment. Also requires a district if disallowing a course for sufficient rigor to "enroll" a pupil in an alternative course, rather than "make a reasonable effort to assist" a student in finding an alternative.

House concurs.

Senate maintains current law but revises to allow the primary district to determine if an alternative course if of acceptable rigor and quality.

Conference concurs with Executive and House.

- Executive requires primary enrolling districts to provide a student enrolled in more than 2 virtual courses per term with hardware, software, and internet access without charge to the pupil, in addition to the expenses paid for the virtual course under (9), currently 6.67% of the minimum foundation.

House and Senate do not include.

Conference concurs with House and Senate.

- Executive requires MDE to establish standards for appropriate hardware, software, and internet access and to establish minimum requirements to count a pupil in a virtual course in a district's pupil membership, for the purpose of receiving of state aid.

House maintains current law.

Senate concurs with Executive.

Conference concurs with Executive and Senate but adds that the pupil membership standards shall be as in the pupil accounting manual in FY 2015-16 or subsequently amended by MDE if MDE notifies the Legislature of amendments at least 60 days before any changes take effect.

- Executive deletes requirement that online courses offered by community colleges generate postsecondary credit.

House maintains current law.

Senate concurs with Executive.

Conference concurs with House.

- Executive deletes provision allowing district to deny enrollment in online course if request does not occur within same timelines established for enrollment and schedule changes for regular courses.

House concurs.

Senate maintains current law.

Conference concurs with Senate.

### ***Sec. 25e. Pupil Transfer Process – RETAINED***

Executive repeals this section and eliminates the pupil transfer process, which currently allows districts to transfer a portion of a pupil membership FTE, and thus the state aid funding tied to it, if a pupil transfers from one district to another between the Fall count date and the following February count date.

House concurs with Executive.

Senate maintains current law.

Conference retains the pupil transfer process but only for pupils that enroll in a strict discipline academy after the pupil membership count date.

### ***Sec. 32d. Great Start Readiness Program (GSRP) – REVISED***

Executive prioritizes children who are homeless, in foster care, or have an IEP that requires preschool as if they are in the lowest income quintile. Reduces program eligibility notification requirements to community-based providers to those that are currently non-participating and to just one notice, which could be done electronically.

House concurs with Executive and revises the cap on ISD administration expenses from either 7% or 4% depending on whether or not the ISD is subcontracting services to 5% either way, and eliminates the 4% cap for subrecipient administration costs and instead counts them as direct services.

Senate concurs with Executive and revises the cap on ISD administration expenses from either 7% or 4% depending on whether or not the ISD is subcontracting services to 4% either way, and eliminates the 4% cap for subrecipient administration costs and instead counts them as program costs or contracted fees for service. Also, allows a Head Start grantee or delegate in a blended Head Start GSRP program to count toward the 30% of slots that must be allocated to community-based providers but excludes children in a pure Head Start program from counting toward the 30%.

Conference concurs with Senate.

## **Major Boilerplate Changes From FY 2015-16**

### ***Sec. 39. Great Start Readiness Program Formula – REVISED***

Executive revises application and formula to base it on number of half-day slots filled rather children served such that the hold harmless provision, guaranteeing an ISD at least its prior slot allocation, would include slots used to provide full-day programs. House, Senate, and Conference concur with Executive.

### ***Sec. 39a. Federal Funds – REVISED***

Senate adds that for the purposes of funding Title I grants, MDE shall allocate an amount of Title I, Part A funds to a strict discipline academy equal to what it would have received if it were included under Part D or what it would receive under Part A, whichever is greater.

Conference concurs with Senate.

### ***Sec. 51a(15). Special Education Penalty – REVISED***

Executive deletes legislative intent that, beginning in FY 2016-17, would penalize a district, PSA, or ISD by 10% of its total state aid if it does not comply with the process for special education services for PSA pupils under subsection (14) or federal regulations. House and Senate maintain the penalty and implement it beginning in FY 2016-17.

Conference concurs with House and Senate.

### ***Sec. 101. Days and Hours of Instruction – REVISED***

Executive deletes district reports of days and hours of instruction and replaces with district certification to MDE that it is in full compliance or district reports to MDE for each instance of noncompliance.

House, Senate, and Conference concur with Executive.

### ***Sec. 104b. Assessments – REVISED***

Executive revises to update NCLB references with ESSA references.

House repeals this section, which requires that districts administer the Michigan Merit Exam including a college entrance test (SAT, formerly ACT), a work skills test (WorkKeys), and a state summative assessment (M-STEP).

Senate concurs with Executive.

Conference concurs with Executive and Senate.

### ***Sec. 104c. Assessments – REVISED***

Executive revises to require fall and spring assessments in grades K to 2, and eliminates the kindergarten entry assessment.

House repeals this section.

Senate revises to require MDE to field test a kindergarten readiness assessment (KRA) to replace the kindergarten entry assessment (KEA) and work with at least 3 ISDs and their constituent districts to participate in the KRA.

Conference concurs with Executive.

### ***Sec. 107. Adult Education – REVISED***

Executive revises eligible programs to add adult secondary education programs, eliminate job- or employment-related programs, and revise GED to high school equivalency test prep programs. Deletes all current participant eligibility criteria, and replaces with either a) is at least 20 years of age or b) is an out-of-school youth as defined in federal Workforce Innovation and Opportunity Act. Deletes FTE funding formula based on 80% enrollment and 20% completion. Makes payments based on statewide allocation criteria including 3-year average enrollments, census data, and local needs as well as participant completion data, and allowable expenditures.

House concurs with Executive except maintains current law in regards to participant eligibility criteria.

Senate maintains current law except for the following revisions: freezes the formula at the current split of 2/3 old method, 1/3 new method and deletes formula to continue moving toward a new method in future fiscal years.

Conference concurs with Executive, but revises eligibility to either a) is at least 20 years old or b) is at least 18 years old and his/her graduating class has graduated. Concur with Senate to freeze formula phase-in again, but for just one year rather than permanently.

### ***Sec. 166. Penalty for Family Planning – RETAINED***

Executive repeals this section.

House revises the penalty under which a district currently forfeits 5% of its total state aid if a board member or staff distributes family planning drugs or devices or makes referrals for abortions. Instead it would require a district to adopt a disciplinary policy for school officials or staff for violations of MCL 380.1507 (regarding Sex Education and prohibits distribution of family planning drugs or devices) or for making abortion referrals. A district that fails to adopt a disciplinary policy would forfeit \$100,000 of its state aid. The policy must create financial penalties for school officials, staff, or contractors and require that penalties be negotiated in collective bargaining agreements.

Senate maintains current law.

Conference concurs with House but does not include penalties for contractors or references to collective bargaining agreements.

**Major Boilerplate Changes From FY 2015-16**

**Sec. 166b. Nonpublic Students – REVISED**

Executive revises to clarify that a district may count nonpublic students as FTEs, to receive state aid, for nonessential, elective courses "that are offered **AND BEING PROVIDED**" to full-time pupils in the same grade level or age group during regularly scheduled school hours.

House maintains current law.

Senate maintains current law and adds that MDE must provide a uniform definition of nonessential elective courses.

Conference maintains current law and adds that MDE shall convene a workgroup to examine the issue of a uniform definition of nonessential elective courses and a uniform definition of par-time pupil.

**Sec. 167a. Expelled or Suspended Pupils – NOT INCLUDED**

House adds language that require a district to implement a plan to reduce expulsions and suspensions exceeding ten days, and provides legislative intent to reduce state aid in FY 2017-18 for districts that have not implemented such a plan.

Senate does not include.

Conference concurs with House.

<b><u>Flint-related Supplemental Recommendations for FY 2015-16 Appropriations</u></b>		<b><u>FY 2015-16 Recommendation</u></b>
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**1. Flint Declaration of Emergency (Sec. 11o) – NEW**

Executive adds \$9.2 million to provide universal Early On testing to identify and provide services to children 0-4 with potential developmental delays due to lead exposure.

House concurs with Executive.

Senate does not include FY 2015-16 adjustments.

Conference concurs with Executive and House but expands to provide early intervention services and summer Great Start Readiness preschool programs.

	<b>Gross</b>		<b>\$9,200,000</b>
	GF/GP		\$9,200,000

<b><u>Other Supplemental Recommendations for FY 2015-16 Appropriations</u></b>		<b><u>FY 2015-16 Recommendation</u></b>
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**1. State School Reform/Redesign (Sec. 21a) – NEW**

Executive adds \$1.0 million to pay CEOs appointed by the School Reform/Redesign Office (SRRO) to take over low performing schools.

House and Senate do not include.

Conference does not include this section.

	<b>Gross</b>		<b>\$0</b>
	Restricted		0

**2. Statewide School Water Testing (Sec. 78) – NEW**

Executive adds \$9.0 million to test school building water systems for lead.

House and Senate do not include.

Conference concurs with House and Senate.

	<b>Gross</b>		<b>\$0</b>
	Restricted		0

**3. Special Education (Secs. 51a, 51c, 51d, 53a, 54, and 56)**

Executive increases the state share of court-mandated special education costs to a total of \$947.2 million to reflect updated estimates based on actual FY 2014-15 costs.

House concurs with Executive.

Senate does not include FY 2015-16 adjustments.

Conference concurs with Executive and House.

	<b>Gross</b>		<b>\$26,700,000</b>
	Restricted		26,700,000

**4. Foundation Allowances (Secs. 22a and 22b)**

Executive reduces the state share of foundation costs by \$64.7 million to a total of \$8.9 billion to reflect January revised consensus estimates.

House concurs with Executive.

Senate does not include FY 2015-16 adjustments.

Conference reduces by \$57.7 million to \$9.0 billion to reflect May consensus costs estimates.

	<b>Gross</b>		<b>(\$57,700,000)</b>
	Restricted		(57,700,000)

**5. School Bond Loan Redemption Fund (Sec. 11j)**

Executive reduces costs paid on behalf of districts in the school bond loan program to \$99.5 million to reflect lower costs from an increased number of districts refinancing bonds.

House concurs with Executive.

Senate does not include FY 2015-16 adjustments.

Conference reduces to \$10.5 million to reflect May consensus cost estimates.

	<b>Gross</b>		<b>(\$116,000,000)</b>
	Restricted		(116,000,000)

**6. CTE Early/Middle Colleges (Sec. 61b)**

Conference reduces line to \$1.0 million based on FY 2015-16 expenditures.

	<b>Gross</b>		<b>(\$9,000,000)</b>
	Restricted		(9,000,000)

<b><u>Other Supplemental Recommendations for FY 2015-16 Appropriations</u></b>		<b><u>FY 2015-16 Recommendation</u></b>
<b>7. Renaissance Zone Reimbursements (Sec. 26a)</b>		<b>Gross (\$6,300,000)</b>
<u>Executive</u> reduces reimbursements to \$20.0 million based on actual FY 2014-15 costs.	Restricted	(6,300,000)
<u>House</u> concurs with Executive.		
<u>Senate</u> does not include FY 2015-16 adjustments.		
<u>Conference</u> concurs with Executive and House.		
<b>8. Early Literacy (3<sup>rd</sup> Grade Reading) Initiative (Sec. 35 and 35a)</b>		<b>Gross (\$4,900,000)</b>
Conference eliminates \$1.0 million for parent university and reduces added instructional time by \$3.9 million to a total of \$13.6 million to reflect FY 2015-16 expenditures.	Restricted	(4,900,000)
<b>9. School Breakfast (Sec. 31f)</b>		<b>Gross (\$3,125,000)</b>
<u>Executive</u> reduces school breakfast costs to \$2.5 million based on actual FY 2014-15 program costs. Cost reductions due to increased federal funding for in FY 2014-15.	Restricted	(3,125,000)
<u>House</u> concurs with Executive.		
<u>Senate</u> does not include FY 2015-16 adjustments.		
<u>Conference</u> concurs with Executive and House.		
<b>10. Cash Flow Borrowing (Sec. 11m)</b>		<b>Gross (\$1,000,000)</b>
<u>Conference</u> reduces by \$1.0 million to a total of \$1.0 million to reflect May cost estimates.	Restricted	(1,000,000)
<b>11. Juvenile Detention Facilities (Sec. 24a)</b>		<b>Gross (\$888,800)</b>
<u>Executive</u> reduces the costs of education expenses in juvenile detention facilities operated by DHHS to reflect the closure of the Maxey facility.	Restricted	(888,800)
<u>House</u> concurs with Executive.		
<u>Senate</u> does not include FY 2015-16 adjustments.		
<u>Conference</u> concurs with Executive and House.		
<b>12. Promise Zone Payments (Sec. 26c)</b>		<b>Gross (\$332,000)</b>
<u>Executive</u> reduces payments to promise zone authorities based on updated cost estimates. Promise zones receive half the growth in the State Education Tax (SET) revenue from property within the zone compared to base year SET revenues.	Restricted	(332,000)
<u>House</u> concurs with Executive.		
<u>Senate</u> does not include FY 2015-16 adjustments.		
<u>Conference</u> concurs with Executive and House.		

SCHOOL AID LINE ITEM SUMMARY



Sec.	FY 2015-16			FY 2016-17		FY 2016-17		FY 2016-17		FY 2016-17		
	HB 4115 (PA 85) SB 134 (PA 139) Enacted	Change from YTD	Revised Supplemental	Change from FY16 YTD	Executive Recommendation	Change from FY16 YTD	HB 5291 House Passed	Change from FY16 YTD	SB 801 Senate Passed	Change from FY16 YTD	Conference	
11j	School Bond Redemption Fund	\$126,500,000	(\$116,000,000)	\$10,500,000			\$126,500,000		\$126,500,000		\$126,500,000	
11m	Cash Flow Borrowing Costs	\$2,000,000	(\$1,000,000)	\$1,000,000	\$1,000,000	\$3,000,000	\$1,000,000	\$3,000,000	\$1,000,000	\$3,000,000	\$1,000,000	\$3,000,000
11o/11s	Flint Declaration of Emergency - NEW	\$0	\$9,200,000	\$9,200,000	\$10,142,600	\$10,142,600	\$10,142,600	\$10,142,600	\$10,142,600	\$10,142,600	\$10,142,600	\$10,142,600
20f	Categorical Offset Payments	\$18,000,000		\$18,000,000		\$18,000,000		\$18,000,000		\$18,000,000		\$18,000,000
20g	Dissolved District Transition Grants	\$2,200,000	(\$1,000,000)	\$1,200,000		\$2,200,000		\$2,200,000		(\$340,000)	\$1,860,000	\$1,860,000
21	State School Reform/Redesign - NEW	\$0		\$0	\$5,000,000	\$5,000,000	\$100	\$100	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
21g	Competency Based Funding Pilot - NEW						\$1,000,000	\$1,000,000		\$0	\$500,000	\$500,000
22a	Foundations: Proposal A Obligation Payment	\$5,281,700,000	(\$21,700,000)	\$5,260,000,000	(\$75,700,000)	\$5,206,000,000	(\$63,200,000)	\$5,218,500,000	(\$79,400,000)	\$5,202,300,000	(\$76,700,000)	\$5,205,000,000
22b	Foundations: Discretionary Payment	\$3,728,000,000	(\$36,000,000)	\$3,692,000,000	\$172,000,000	\$3,900,000,000	\$172,000,000	\$3,900,000,000	\$91,900,000	\$3,819,900,000	\$172,000,000	\$3,900,000,000
22d	Isolated District Funding	\$5,000,000		\$5,000,000		\$5,000,000		\$5,000,000		\$5,000,000		\$5,000,000
22g	Consolidation Innovation Grants	\$5,000,000		\$5,000,000		\$5,000,000		\$5,000,000	\$1,500,000	\$6,500,000	(\$2,000,000)	\$3,000,000
22i	Technology Infrastructure Improvement Grants	\$23,500,000		\$23,500,000	(\$23,500,000)	\$0	(\$23,500,000)	\$0	(\$23,500,000)	\$0	(\$23,500,000)	\$0
24	Court-Placed Pupils	\$8,000,000		\$8,000,000		\$8,000,000		\$8,000,000		\$8,000,000		\$8,000,000
24a	Juvenile Detention Facility Programs	\$2,189,800	(\$888,800)	\$1,301,000	(\$861,700)	\$1,328,100	(\$861,700)	\$1,328,100	(\$861,700)	\$1,328,100	(\$861,700)	\$1,328,100
24c	Youth ChalleNge Program	\$1,497,400		\$1,497,400	\$25,000	\$1,522,400	\$25,000	\$1,522,400	\$235,000	\$1,732,400	\$135,000	\$1,632,400
25f	Strict Discipline Academy	\$1,000,000		\$1,000,000	(\$750,000)	\$250,000	(\$750,000)	\$250,000		\$1,000,000	(\$250,000)	\$750,000
25g	Dropout Recovery Programs	\$1,000,000		\$1,000,000	(\$750,000)	\$250,000	(\$750,000)	\$250,000		\$1,000,000	(\$250,000)	\$750,000
26a	Renaissance Zone Reimbursement	\$26,300,000	(\$6,300,000)	\$20,000,000	(\$6,300,000)	\$20,000,000	(\$6,300,000)	\$20,000,000	(\$6,300,000)	\$20,000,000	(\$6,300,000)	\$20,000,000
26b	PILT Reimbursement	\$4,276,800		\$4,276,800	\$128,300	\$4,405,100	\$128,300	\$4,405,100	\$128,300	\$4,405,100	\$128,300	\$4,405,100
26c	Promise Zone Funding	\$610,000	(\$332,000)	\$278,000	\$390,000	\$1,000,000	\$390,000	\$1,000,000	\$390,000	\$1,000,000	\$390,000	\$1,000,000
31a	"At Risk" Pupil Support	\$378,988,200		\$378,988,200		\$378,988,200	\$18,000,000	\$396,988,200		\$378,988,200		\$378,988,200
31a(7)	School Based Health Centers	\$5,557,300		\$5,557,300		\$5,557,300		\$5,557,300		\$5,557,300		\$5,557,300
31a(8)	Hearing and Vision Screening	\$5,150,000		\$5,150,000		\$5,150,000		\$5,150,000		\$5,150,000		\$5,150,000
31b	Year-round Instruction Grants - NEW			\$0		\$0	\$3,500,000	\$3,500,000		\$0	\$1,500,000	\$1,500,000
31c	Gang Prevention and Intervention Programs	\$1,000,000		\$1,000,000	(\$1,000,000)	\$0	\$3,000,000	\$4,000,000	(\$1,000,000)	\$0	\$2,000,000	\$3,000,000
31d	State School Lunch Programs	\$22,495,100		\$22,495,100		\$22,495,100		\$22,495,100		\$22,495,100		\$22,495,100
31d	Federal School Lunch Programs	\$513,200,000		\$513,200,000		\$513,200,000		\$513,200,000		\$513,200,000		\$513,200,000
31f	School Breakfast Program	\$5,625,000	(\$3,125,000)	\$2,500,000	(\$3,125,000)	\$2,500,000	(\$3,125,000)	\$2,500,000	(\$3,125,000)	\$2,500,000	(\$3,125,000)	\$2,500,000
31h	Cooperative Education Grant	\$300,000		\$300,000	(\$300,000)	\$0	(\$300,000)	\$0		\$300,000	\$0	\$300,000
31j	Local Produce in School Meals - NEW	\$0		\$0		\$0		\$0	\$500,000	\$500,000	\$250,000	\$250,000
32d	Great Start Readiness Program	\$243,900,000		\$243,900,000		\$243,900,000		\$243,900,000		\$243,900,000		\$243,900,000
32p	Early Childhood Block Grants	\$13,400,000		\$13,400,000		\$13,400,000		\$13,400,000		\$13,400,000		\$13,400,000
32q	Early Learning Cooperative - NEW	\$0		\$0		\$0		\$0	\$175,000	\$175,000	\$175,000	\$175,000
35	Early Literacy Implementation	\$1,000,000		\$1,000,000		\$1,000,000		\$1,000,000		\$1,000,000		\$1,000,000
35a(2)	Early Literacy Parents University Pilot	\$1,000,000	(\$1,000,000)	\$0	(\$1,000,000)	\$0	(\$1,000,000)	\$0	(\$1,000,000)	\$0	(\$1,000,000)	\$0
35a(3)	Early Literacy Professional Development	\$950,000		\$950,000		\$950,000		\$950,000		\$950,000		\$950,000
35a(4)	Early Literacy Diagnostic Tools	\$1,450,000		\$1,450,000		\$1,450,000		\$1,450,000		\$1,450,000		\$1,450,000
35a(5)	Early Literacy Teacher Coaches	\$3,000,000		\$3,000,000		\$3,000,000		\$3,000,000		\$3,000,000		\$3,000,000
35a(6)	Early Literacy Added Instructional Time	\$17,500,000	(\$3,900,000)	\$13,600,000		\$17,500,000		\$17,500,000		\$17,500,000		\$17,500,000
35a(7)	Early Literacy - Michigan Education Corps	\$1,000,000		\$1,000,000	(\$1,000,000)	\$0	(\$1,000,000)	\$0		\$1,000,000		\$1,000,000
35a(8)	Early Literacy Teacher Certification Test	\$500,000		\$500,000	(\$500,000)	\$0	(\$500,000)	\$0	(\$500,000)	\$0	(\$500,000)	\$0
39a(1)	Federal NCLB/ESSA Grant Funds	\$779,076,400		\$779,076,400	\$42,863,500	\$821,939,900	\$42,863,500	\$821,939,900	\$42,863,500	\$821,939,900	\$42,863,500	\$821,939,900
39a(2)	Other Federal Funding	\$30,800,000		\$30,800,000		\$30,800,000		\$30,800,000		\$30,800,000		\$30,800,000
41	Bilingual Education Grants	\$1,200,000		\$1,200,000		\$1,200,000		\$1,200,000		\$1,200,000		\$1,200,000
43	Teacher Certification Test Rewrite	\$1,800,000		\$1,800,000	(\$1,800,000)	\$0	(\$1,800,000)	\$0	(\$1,800,000)	\$0	(\$1,800,000)	\$0
51a(1)	Special Education - Federal Reimbursement	\$370,000,000		\$370,000,000		\$370,000,000		\$370,000,000		\$370,000,000		\$370,000,000
51a(2)	Special Ed ISD Foundation and Costs	\$251,800,000	\$11,700,000	\$263,500,000	\$19,800,000	\$271,600,000	\$19,800,000	\$271,600,000	\$19,800,000	\$271,600,000	\$19,800,000	\$271,600,000
51a(3)	Special Ed ISD Hold Harmless Payment	\$1,300,000	(\$300,000)	\$1,000,000	(\$200,000)	\$1,100,000	(\$200,000)	\$1,100,000	(\$200,000)	\$1,100,000	(\$200,000)	\$1,100,000
51a(6)	Special Ed Admin Rules Changes	\$2,200,000		\$2,200,000		\$2,200,000		\$2,200,000		\$2,200,000		\$2,200,000
51a(11)	Special Ed Foundations for Non Sec. 52 to ISDs	\$3,300,000	\$500,000	\$3,800,000	\$400,000	\$3,700,000	\$400,000	\$3,700,000	\$400,000	\$3,700,000	\$400,000	\$3,700,000
51c	Special Ed Headlee Obligation (Durant)	\$610,000,000	\$14,800,000	\$624,800,000	\$34,500,000	\$644,500,000	\$34,500,000	\$644,500,000	\$34,500,000	\$644,500,000	\$34,500,000	\$644,500,000
51d	Special Education - Other Federal Grants	\$71,000,000		\$71,000,000		\$71,000,000		\$71,000,000		\$71,000,000		\$71,000,000
53a	Special Ed for Court Placed Pupils	\$10,500,000		\$10,500,000		\$10,500,000		\$10,500,000		\$10,500,000		\$10,500,000
54	Special Ed Michigan School Blind/Deaf	\$1,688,000		\$1,688,000		\$1,688,000		\$1,688,000		\$1,688,000		\$1,688,000
54b	Special Education Task Force Reforms - NEW	\$0		\$0	\$1,370,000	\$1,370,000	\$1,370,000	\$1,370,000	\$1,370,000	\$1,370,000	\$1,125,000	\$1,125,000
55	Conductive Learning Study	\$150,000		\$150,000		\$150,000		\$150,000		\$150,000		\$150,000
56	Special Ed ISD Millage Equalization	\$37,758,100		\$37,758,100		\$37,758,100		\$37,758,100		\$37,758,100		\$37,758,100
59	Gifted & Talented Programs - NEW	\$0		\$0		\$0		\$0	\$100	\$100		\$0
61a	Career & Tech Ed Programs	\$36,611,300		\$36,611,300		\$36,611,300	\$115,000	\$36,726,300		\$36,611,300	\$79,000	\$36,690,300
61b	Career & Tech Ed Early/Middle College	\$10,000,000	(\$9,000,000)	\$1,000,000	\$5,000,000	\$15,000,000	\$5,000,000	\$15,000,000		\$10,000,000	(\$1,000,000)	\$9,000,000
61c	Career & Tech Ed Equipment Upgrades - NEW	\$0		\$0	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$3,200,000	\$3,200,000
61d	Innovative Educational Pipeline Program - NEW	\$0		\$0		\$0		\$0	\$500,000	\$500,000		\$0
61e	Restaurant Management and Culinary Training - NEW	\$0		\$0		\$0		\$0	\$100,000	\$100,000		\$0

SCHOOL AID LINE ITEM SUMMARY



Sec.	FY 2015-16			FY 2016-17		FY 2016-17		FY 2016-17		FY 2016-17		
	HB 4115 (PA 85) SB 134 (PA 139) Enacted	Change from YTD	Revised Supplemental	Change from FY16 YTD	Executive Recommendation	Change from FY16 YTD	HB 5291 House Passed	Change from FY16 YTD	SB 801 Senate Passed	Change from FY16 YTD	Conference	
62	ISD Vocational Education Millage Equalization	\$9,190,000		\$9,190,000			\$9,190,000		\$9,190,000		\$9,190,000	
63	ISD/Health Department Partnership for CTE/Health - NEW	\$0		\$0			\$0		\$500,000	\$500,000	\$250,000	
64b	Dual Enrollment Incentive Payments	\$1,750,000		\$1,750,000			\$1,750,000			\$1,750,000	\$1,750,000	
65	Detroit PreCollege Engineering	\$340,000		\$340,000			\$340,000			\$340,000	\$340,000	
67	Career and College Readiness Tools	\$3,600,000		\$3,600,000	(\$550,000)	\$3,050,000	(\$550,000)	\$3,050,000	(\$550,000)	\$3,050,000	(\$550,000)	
74	School Bus Driver Safety Instruction	\$1,625,000		\$1,625,000		\$1,625,000		\$1,625,000		\$1,625,000	\$1,625,000	
74	School Bus Inspections	\$1,690,700		\$1,690,700	\$4,900	\$1,695,600	\$4,900	\$1,695,600	\$4,900	\$1,695,600	\$4,900	
78	Statewide School Water Testing - NEW	\$0		\$0	\$9,000,000	\$9,000,000		\$0		\$0	\$0	
81	ISD General Operations Support	\$67,108,000		\$67,108,000	\$1,074,000	\$68,182,000	\$1,074,000	\$68,182,000	\$1,074,000	\$68,182,000	\$67,108,000	
94	Advanced Placement (AP) Incentive Program	\$250,000		\$250,000		\$250,000		\$250,000		\$250,000	\$250,000	
94a	Center for Educational Performance and Information	\$11,967,000		\$11,967,000	\$206,200	\$12,173,200	\$206,200	\$12,173,200	\$206,200	\$12,173,200	\$206,200	
94a	Center for Educational Performance and Info - Federal	\$193,500		\$193,500		\$193,500		\$193,500		\$193,500	\$193,500	
95a	Educator and Administrator Evaluations	\$0		\$0	\$10,000,000	\$10,000,000		\$0	\$100	\$100	\$0	
95b	Statewide Student Growth Tool - NEW	\$0		\$0		\$0	\$100	\$100		\$0	\$0	
98	Michigan Virtual University	\$7,387,500		\$7,387,500		\$7,387,500		(\$387,500)	\$7,000,000		\$7,387,500	
99c	Civic Education	\$60,000		\$60,000	(\$60,000)	\$0	(\$60,000)	\$0		\$60,000	(\$60,000)	
99h	FIRST Robotics	\$2,000,000		\$2,000,000	\$500,000	\$2,500,000		\$2,000,000	\$500,000	\$2,500,000	\$500,000	
99s(2)	MiSTEM Grants - Council	\$50,000		\$50,000	\$2,475,000	\$2,525,000		\$50,000	\$1,475,000	\$1,525,000	\$1,050,000	
99s(3)	MiSTEM Grants - Math and Science Centers - State	\$2,750,000		\$2,750,000		\$2,750,000		\$2,750,000	\$1,000,000	\$3,750,000	\$2,750,000	
99s(3)	MiSTEM Grants - Math and Science Centers - Federal	\$5,249,300		\$5,249,300		\$5,249,300		\$5,249,300		\$5,249,300	\$5,249,300	
99s(4)	MiSTEM Grants - Michigan STEM Partnership	\$475,000		\$475,000	(\$475,000)	\$0		\$475,000	(\$475,000)	\$0	(\$475,000)	
99s(5)	MiSTEM Grants - STEM Professional Development	\$250,000		\$250,000	(\$250,000)	\$0		\$250,000	(\$250,000)	\$0	(\$250,000)	
99s(6)	MiSTEM Grants - Science Olympiad	\$250,000		\$250,000	(\$250,000)	\$0		\$250,000	\$250,000	\$500,000	\$250,000	
99s(7)	MiSTEM Grants - Van Andel Education Institute	\$250,000		\$250,000	(\$250,000)	\$0		\$250,000	\$250,000	\$500,000	\$250,000	
99t	Online Algebra Tool - NEW						\$2,000,000	\$2,000,000	\$100	\$100	\$1,500,000	
102d	Financial Data Analysis Tools	\$1,500,000		\$1,500,000		\$1,500,000	\$100,000	\$1,600,000	\$0	\$1,500,000	\$1,500,000	
104	Education Assessments - State	\$43,994,400		\$43,994,400	(\$10,100,000)	\$33,894,400	(\$21,994,400)	\$22,000,000	(\$8,757,600)	\$35,236,800	(\$10,100,000)	
104	Education Assessments - Federal	\$6,250,000		\$6,250,000		\$6,250,000		\$6,250,000		\$6,250,000	\$6,250,000	
104d	Computer Adaptive Test	\$4,000,000		\$4,000,000	(\$4,000,000)	\$0	(\$4,000,000)	\$0	\$5,500,000	\$9,500,000	\$4,000,000	
107	Adult Education	\$25,000,000		\$25,000,000		\$25,000,000		\$25,000,000		\$25,000,000	\$25,000,000	
147a	MPERS Cost Offset	\$100,000,000		\$100,000,000		\$100,000,000		\$100,000,000		\$100,000,000	\$100,000,000	
147c	MPERS State Share of Unfunded Liability Payments	\$893,500,000		\$893,500,000	\$89,300,000	\$982,800,000	\$89,300,000	\$982,800,000	\$89,300,000	\$982,800,000	\$89,300,000	
152a	Adair - Database Payment	\$38,000,500		\$38,000,500		\$38,000,500		\$38,000,500		\$38,000,500	\$38,000,500	
152b	Nonpublic School Reimbursement - NEW						\$1,000,000	\$1,000,000	\$5,000,000	\$5,000,000	\$2,500,000	
<b>TOTAL APPROPRIATIONS</b>		<b>\$13,900,654,300</b>	<b>(\$164,345,800)</b>	<b>\$13,736,308,500</b>	<b>\$282,457,800</b>	<b>\$14,183,112,100</b>	<b>\$287,028,600</b>	<b>\$14,187,682,900</b>	<b>\$206,458,000</b>	<b>\$14,107,112,300</b>	<b>\$261,187,800</b>	<b>\$14,161,842,100</b>
<b>REVENUE BY SOURCE</b>												
Federal Aid		\$1,775,769,200	\$0	\$1,775,769,200	\$42,863,500	\$1,818,632,700	\$42,863,500	\$1,818,632,700	\$42,863,500	\$1,818,632,700	\$42,863,500	\$1,818,632,700
School Aid Fund		\$12,078,985,100	(\$173,545,800)	\$11,905,439,300	(\$16,505,800)	\$12,062,479,300	(\$2,935,100)	\$12,076,050,000	(\$16,505,500)	\$12,062,479,600	(\$26,675,800)	\$12,052,309,300
Community District Trust Fund/Other Restricted Fund		\$0		\$0	\$72,000,100	\$72,000,100	\$72,000,100	\$72,000,100	\$0	\$72,000,100	\$72,000,100	\$72,000,100
General Fund/General Purpose		\$45,900,000	\$9,200,000	\$55,100,000	\$184,100,000	\$230,000,000	\$175,100,100	\$221,000,100	\$180,100,000	\$226,000,000	\$173,000,000	\$218,900,000
<b>TOTAL REVENUE</b>		<b>\$13,900,654,300</b>	<b>(\$164,345,800)</b>	<b>\$13,736,308,500</b>	<b>\$282,457,800</b>	<b>\$14,183,112,100</b>	<b>\$287,028,600</b>	<b>\$14,187,682,900</b>	<b>\$206,458,000</b>	<b>\$14,107,112,300</b>	<b>\$261,187,800</b>	<b>\$14,161,842,100</b>

**FY 2016-17: COMMUNITY COLLEGES**  
**Summary: Conference Report**  
**Article II, Senate Bill 801 (S-1) CR-1**



**Analyst: Perry Zielak**

IDG/IDT	FY 2015-16 YTD as of 2/10/16	FY 2016-17 Executive	FY 2016-17 House	FY 2016-17 Senate	FY 2016-17 Conference	Difference: Conference From FY 2015-16 YTD	
						Amount	%
<b>IDG/IDT</b>	\$0	\$0	\$0	\$0	\$0	\$0	--
<b>Federal</b>	0	0	0	0	0	0	--
<b>Local</b>	0	0	0	0	0	0	--
<b>Private</b>	0	0	0	0	0	0	--
<b>Restricted</b>	256,714,800	260,414,800	260,414,800	260,414,800	260,414,800	3,700,000	1.4
<b>GF/GP</b>	131,110,800	138,610,800	141,701,500	138,610,800	135,510,800	4,400,000	3.4
<b>Gross</b>	<b>\$387,825,600</b>	<b>\$399,025,600</b>	<b>\$402,116,300</b>	<b>\$399,025,600</b>	<b>\$395,925,600</b>	<b>\$8,100,000</b>	<b>2.1</b>

Notes: (1) FY 2015-16 year-to-date figures include mid-year budget adjustments through February 10, 2016. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Community Colleges budget supports the 28 public community colleges located throughout the state. Community colleges offer a wide variety of educational programs, including traditional two-year transfer programs, associates' degrees, career and technical education, developmental and remedial education, continuing education, and, after 2012, baccalaureate programs in a limited number of areas. The colleges are supported primarily through a combination of state aid, local property tax revenue, and tuition and fees.

**NOTE:** Information on House budget action in this document is based on House Bill 5291 as passed by the House. Information on Senate budget action is based on Senate Bill 801 as passed by the Senate.

**Major Budget Changes From FY 2015-16 YTD Appropriations**

**1. Community College Operations Grants**

Executive increases funding for community college operations grants by \$7.5 million GF/GP, to be distributed according to a revised performance funding formula. Shift of \$50.7 million from School Aid Fund (SAF) to GF/GP. Projected increases for individual community colleges range from 1.7% to 3.8%. Total funding would be \$318.9 million (\$133.5 million GF/GP).

	FY 2015-16 Year-to-Date (as of 2/10/16)	FY 2016-17 Conference Change
<b>Gross</b>	<b>\$311,492,000</b>	<b>\$4,400,000</b>
Restricted	236,181,200	(50,700,000)
GF/GP	\$75,310,800	\$55,100,000

House increases operations grant funding by \$10.6 million (3.4%), to be distributed under the revised performance funding formula created by the 2015 Performance Funding Task Force. Projected increases for individual colleges range from 2.7% to 4.9%. Total funding would be \$322.1 million: \$185.5 million School Aid Fund (SAF), \$136.6 million GF/GP.

Senate concurs with Executive increase of \$7.5 million GF/GP (2.4%), but distributes funding under the revised performance funding formula created by the 2015 Performance Funding Task Force. Projected increases for individual colleges range from 1.9% to 3.5%. Total funding would be \$318.9 million: \$185.5 million SAF, \$133.5 million GF/GP.

Conference increases operations grant funding by \$4.4 million GF/GP (1.4%) and concurs with the House and Senate on using the revised performance funding formula. Projected increases for individual community colleges range from 1.1% to 2.0%. Total funding would be \$315.9 million: \$185.5 million SAF, \$130.4 million GF/GP.



<u>Major Budget Changes From FY 2015-16 YTD Appropriations</u>		<u>FY 2015-16 Year-to-Date (as of 2/10/16)</u>	<u>FY 2016-17 Conference Change</u>
<b>2. Michigan Public School Employees' Retirement System (MPERS)</b>	<b>Gross</b>	<b>\$69,500,000</b>	<b>\$3,700,000</b>
<u>Executive</u> provides additional \$3.7 million SAF for the state's share of colleges' unfunded liability to MPERS, bringing total funding to \$73.2 million SAF. There is a \$56 million increase of SAF, used to account for the \$3.7 million increase and an offset of a \$52.3 million GF/GP reduction. The state's share is the difference between the actuarial accrued liability to the system and the employer contribution cap of 20.96% of payroll set by the Public School Employees Retirement act (MCL 38.1341). <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Restricted	17,200,000	56,000,000
	GF/GP	\$52,300,000	(\$52,300,000)
<b>3. Renaissance Zone Reimbursements</b>	<b>Gross</b>	<b>\$5,100,000</b>	<b>\$0</b>
<u>Executive</u> replaces \$1.6 million SAF reduction with \$1.6 million GF/GP increase, resulting in entire \$5.1 million reimbursement program funded by GF/GP. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Restricted	1,600,000	(1,600,000)
	GF/GP	\$3,500,000	\$1,600,000

### Major Boilerplate Changes From FY 2015-16

#### **Sec. 206. Community Colleges Activities Classification Structure (ACS) Data – REVISED**

Executive requires Michigan community colleges to report ACS data to the Center for Educational Performance and Information (CEPI). House concurs. Senate concurs. Conference concurs.

#### **Sec. 208. Self-Liquidating Projects – RETAINED**

Prohibits colleges from using state funds for construction or maintenance of self-liquidating projects. Requires colleges to comply with Joint Capital Outlay Subcommittee (JCOS) use and finance policy for any capital outlay project. Subjects colleges that fail to comply with a penalty of 1% of the operations funding for each violation. Executive deletes. House retains. Senate retains. Conference retains.

#### **Sec. 209. Community College Transparency – RETAINED**

Executive deletes from college transparency reporting requirements a requirement to post the estimated cost resulting from the Affordable Care Act. Also deletes a provision authorizing state budget director to withhold payment from a college that failed to comply with the reporting requirements. House concurs. Senate retains current law. Conference concurs with Senate.

#### **Sec. 210b. Colleges and Universities Transfer Agreement – REVISED**

Executive deletes legislative intent language and revises to require the Michigan Community College Association and the Michigan Association of State Universities issue a report on the implementation of the transfer agreement between community colleges and state universities. House revises language to require report on the implementation of the transfer agreement. Senate includes similar language to House but adds reporting requirements for the block transfer agreement found in Sec. 210c. Conference concurs with Senate.

#### **Sec. 210c. Block Transfer Study Committee – DELETED**

Establishes study committee to develop a process to improve the transferability and applicability of associates' degrees as a block of credits between community colleges and public universities on a statewide basis. Executive deletes. House revises language to require the Michigan Community College Association and the Michigan Association of State Universities to issue a report on progress of implementing the study committee findings and recommendations. Senate deletes but moves reporting requirements to Sec. 210b. Conference concurs with Senate.

#### **Sec. 210e. Academic Program Partnerships – NEW**

Senate adds language that requires the Michigan Community College Association, the Michigan Association of State Universities, and the Michigan Independent Colleges and Universities to submit a report detailing the number of academic program partnerships between community colleges, public universities, and private colleges and universities. Conference concurs.

#### **Sec. 212. Cost Containment Initiatives – REVISED**

Encourages colleges to evaluate and pursue efficiency and cost-containment measures, including joint ventures, consolidating services, program collaboration, increasing web-based instruction, improving energy efficiency, eliminating low-volume/high-cost instructional programs, self-insurance and group purchasing. Executive deletes. House retains. Senate retains with minor wording changes. Conference concurs with Senate.

#### **Sec. 217. Activities Classification Structure (ACS) Data – REVISED**

Executive changes responsibility of drafting the ACS report from the Workforce Development Agency to the Center for Educational Performance and Information (CEPI). House concurs. Senate concurs. Conference concurs.

## **Major Boilerplate Changes From FY 2015-16**

### ***Sec. 223. North American Indian Tuition Waiver – REVISED***

Requires colleges to report to WDA on number and monetary value of Indian tuition waivers granted in previous fiscal year. House revises to require colleges to report to the Department of Civil Rights on number of applications received and approved, number and monetary value of waivers, number of waiver students who withdraw, and the number of waiver students who completed a degree or certificate program. Senate retains current language. Conference concurs with House.

### ***Sec. 227. Community College Automobile Purchases – RETAINED***

Forbids lease or purchase of foreign-made vehicles if vehicles made in Michigan or elsewhere in the U.S. are competitively priced and of comparable quality. Executive deletes. House retains. Senate retains. Conference retains.

### ***Sec. 228. Communication with the Legislature – RETAINED***

Forbids a community college from taking disciplinary action against an employee for communicating with the legislature. Executive deletes. House retains. Senate retains. Conference retains.

### ***Sec. 229a. State Building Authority (SBA) Rent Payments – REVISED***

Executive updates itemized list of community college capital outlay projects on which the state will pay SBA rent in FY 2016-17. Funding for SBA rent is appropriated under the General Government budget. House concurs. Senate concurs. Conference concurs.

### ***Sec. 230. Performance Funding Formula – REVISED***

Executive modifies the formula for distributing performance-based funding: reduces the across-the-board adjustment from 50% to 30%, increases the contact hours component from its current 10% unweighted to 30% weighted for health and technology/industrial fields, increases the performance based component from its current 17.5% based on weighted degree and certificate completions to 20%, adds 10% for completion improvement, reduces the local strategic value component from 15% to 5% and lowers the administrative costs component from 7.5% to 5%.

House modifies the formula according to the recommendations from the 2015 Performance Task Force: reduces the across-the-board adjustment from 50% to 30%, increases the contact hours component from its current 10% unweighted to 30% weighted for health and technology/industrial fields, adds 10% for completion performance improvement, adds 10% for performance completion number, adds 10% for performance completion rate, reduces the local strategic value component from 15% to 5% and lowers the administrative costs component from 7.5% to 5%.

Senate also modifies the formula according to the recommendations from the 2015 Performance Task Force, concurring with House with minor wording differences.

Conference concurs with House.

### ***Sec. 230a. Performance Indicators Task Force – DELETED***

Requires creation by October 15, 2015 of a task force to make recommendations on community college performance metrics with a report due January 15, 2016. Executive deletes. House concurs. Senate concurs. Conference concurs.

**FY 2016-17 Community College Performance Funding Increases**

	New Money: \$4,400,000	30%	10%	10%	10%	30%	5%	5%	100%		
			Performance- Improvement	Performance- Completion Number	Performance- Completion Rate	Contact Hours	Administrative	Local Strategic Value	Performance Funding	% Change from FY16	FY 2016-17 Appropriation
Alpena	\$5,464,400	\$23,156	\$23,971	\$4,860	\$6,175	\$11,415	\$6,820	\$3,859	\$80,300	1.5%	\$5,544,700
Bay de Noc	\$5,490,200	\$23,266	\$6,204	\$6,029	\$12,231	\$13,909	\$5,153	\$3,878	\$70,700	1.3%	\$5,560,900
Delta	\$14,704,000	\$62,311	\$16,678	\$29,868	\$16,616	\$58,152	\$9,689	\$10,385	\$203,700	1.4%	\$14,907,700
Glen Oaks	\$2,551,100	\$10,811	\$2,883	\$3,747	\$8,949	\$7,442	\$202	\$1,802	\$35,800	1.4%	\$2,586,900
Gogebic	\$4,509,900	\$19,111	\$15,019	\$3,230	\$13,106	\$8,692	\$5,556	\$3,185	\$67,900	1.5%	\$4,577,800
Grand Rapids	\$18,187,300	\$77,072	\$25,309	\$22,562	\$20,552	\$94,895	\$9,989	\$12,845	\$263,200	1.4%	\$18,450,500
Henry Ford	\$21,893,300	\$92,777	\$26,411	\$20,516	\$30,819	\$86,365	\$10,351	\$15,463	\$282,700	1.3%	\$22,176,000
Jackson	\$12,245,300	\$51,892	\$14,742	\$13,731	\$20,138	\$34,843	\$8,293	\$8,649	\$152,300	1.2%	\$12,397,600
Kalamazoo Valley	\$12,689,400	\$53,773	\$14,340	\$17,815	\$20,454	\$58,272	\$10,887	\$8,962	\$184,500	1.5%	\$12,873,900
Kellogg	\$9,950,100	\$42,165	\$11,244	\$12,837	\$17,090	\$36,647	\$10,398	\$7,028	\$137,400	1.4%	\$10,087,500
Kirtland	\$3,221,500	\$13,652	\$3,640	\$4,798	\$3,640	\$12,640	\$7,814	\$2,275	\$48,500	1.5%	\$3,270,000
Lake Michigan	\$5,417,700	\$22,958	\$6,304	\$5,660	\$6,122	\$24,303	\$5,879	\$3,826	\$75,100	1.4%	\$5,492,800
Lansing	\$31,288,200	\$132,589	\$35,357	\$41,122	\$41,281	\$106,144	\$10,612	\$22,098	\$389,100	1.2%	\$31,677,300
Macomb	\$33,239,500	\$140,858	\$37,562	\$43,227	\$43,449	\$142,984	\$10,805	\$23,476	\$442,300	1.3%	\$33,681,800
Mid-Michigan	\$4,757,700	\$20,162	\$6,757	\$9,650	\$5,376	\$24,825	\$6,220	\$3,360	\$76,400	1.6%	\$4,834,100
Monroe County	\$4,565,600	\$19,348	\$5,159	\$6,718	\$5,159	\$21,675	\$9,787	\$3,225	\$71,100	1.6%	\$4,636,700
Montcalm	\$3,280,600	\$13,902	\$13,469	\$4,363	\$10,026	\$10,809	\$7,612	\$2,317	\$62,500	1.9%	\$3,343,100
Mott	\$15,901,700	\$67,386	\$21,448	\$21,735	\$17,970	\$64,770	\$9,309	\$11,231	\$213,800	1.3%	\$16,115,500
Muskegon	\$9,020,700	\$38,227	\$27,428	\$7,702	\$10,194	\$29,152	\$10,779	\$6,371	\$129,900	1.4%	\$9,150,600
North Central	\$3,224,800	\$13,666	\$12,004	\$4,645	\$10,232	\$13,681	\$9,071	\$2,278	\$65,600	2.0%	\$3,290,400
Northwestern	\$9,200,500	\$38,989	\$13,243	\$10,117	\$10,397	\$29,632	\$8,604	\$6,498	\$117,500	1.3%	\$9,318,000
Oakland	\$21,429,400	\$90,811	\$24,216	\$35,093	\$24,216	\$145,013	\$7,045	\$15,135	\$341,500	1.6%	\$21,770,900
Schoolcraft	\$12,706,400	\$53,846	\$15,218	\$23,832	\$20,777	\$70,798	\$9,467	\$8,974	\$202,900	1.6%	\$12,909,300
Southwestern	\$6,657,600	\$28,213	\$7,523	\$5,249	\$7,523	\$17,962	\$3,714	\$4,702	\$74,900	1.1%	\$6,732,500
St. Clair	\$7,158,000	\$30,333	\$8,462	\$8,427	\$14,678	\$27,373	\$6,945	\$5,056	\$101,300	1.4%	\$7,259,300
Washtenaw	\$13,301,100	\$56,366	\$19,040	\$40,843	\$20,865	\$76,882	\$9,510	\$9,394	\$232,900	1.8%	\$13,534,000
Wayne County	\$16,989,800	\$71,997	\$22,017	\$29,014	\$19,199	\$82,516	\$7,680	\$12,000	\$244,400	1.4%	\$17,234,200
West Shore	\$2,446,200	\$10,366	\$4,350	\$2,611	\$2,764	\$8,211	\$1,808	\$1,728	\$31,800	1.3%	\$2,478,000
	<b>\$311,492,000</b>	<b>\$1,320,000</b>	<b>\$440,000</b>	<b>\$440,000</b>	<b>\$440,000</b>	<b>\$1,320,000</b>	<b>\$220,000</b>	<b>\$220,000</b>	<b>\$4,400,000</b>	<b>1.4%</b>	<b>\$315,892,000</b>

- Notes:
1. The performance improvement metric utilizes improvements in six-year average rates completions for each college from 2007 and 2008 cohorts. Completions metric includes certificates, degrees and transfers.
  2. Calculations for performance completion number are based on data from IPEDS.
  3. Calculations for performance completion rate are based on data provided to the Governor's dashboard on completion rates and utilizes six year completions for each college from 2007 and 2008 cohorts.
  4. Calculations for weighted contact hours are based on data provided by the Workforce Development Agency from FY 2014.
  5. Adjusted Administrative Cost data are preliminary data provided by the Workforce Development Agency.

**FY 2016-17 Community College Operations Grants**

College	FY 2015-16 Year to Date	Executive			House			Senate			Conference		
		Performance Funding Increase	Total Appropriation	% Change	Performance Funding Increase	Total Appropriation	% Change	Performance Funding Increase	Total Appropriation	% Change	Performance Funding Increase	Total Appropriation	% Change
Alpena	\$5,464,400	\$162,700	\$5,627,100	3.0%	\$193,200	\$5,657,600	3.5%	\$136,800	\$5,601,200	2.5%	\$80,300	\$5,544,700	1.5%
Bay de Noc	\$5,490,200	\$100,900	\$5,591,100	1.8%	\$170,100	\$5,660,300	3.1%	\$120,500	\$5,610,700	2.2%	\$70,700	\$5,560,900	1.3%
Delta	\$14,704,000	\$348,400	\$15,052,400	2.4%	\$490,300	\$15,194,300	3.3%	\$347,200	\$15,051,200	2.4%	\$203,700	\$14,907,700	1.4%
Glen Oaks	\$2,551,100	\$45,600	\$2,596,700	1.8%	\$86,300	\$2,637,400	3.4%	\$61,100	\$2,612,200	2.4%	\$35,800	\$2,586,900	1.4%
Gogebic	\$4,509,900	\$117,000	\$4,626,900	2.6%	\$163,400	\$4,673,300	3.6%	\$115,700	\$4,625,600	2.6%	\$67,900	\$4,577,800	1.5%
Grand Rapids	\$18,187,300	\$444,400	\$18,631,700	2.4%	\$633,600	\$18,820,900	3.5%	\$448,700	\$18,636,000	2.5%	\$263,200	\$18,450,500	1.4%
Henry Ford	\$21,893,300	\$454,200	\$22,347,500	2.1%	\$680,500	\$22,573,800	3.1%	\$481,900	\$22,375,200	2.2%	\$282,700	\$22,176,000	1.3%
Jackson	\$12,245,300	\$259,100	\$12,504,400	2.1%	\$366,500	\$12,611,800	3.0%	\$259,600	\$12,504,900	2.1%	\$152,300	\$12,397,600	1.2%
Kalamazoo Valley	\$12,689,400	\$326,300	\$13,015,700	2.6%	\$444,100	\$13,133,500	3.5%	\$314,500	\$13,003,900	2.5%	\$184,500	\$12,873,900	1.5%
Kellogg	\$9,950,100	\$209,700	\$10,159,800	2.1%	\$330,700	\$10,280,800	3.3%	\$234,200	\$10,184,300	2.4%	\$137,400	\$10,087,500	1.4%
Kirtland	\$3,221,500	\$81,800	\$3,303,300	2.5%	\$116,600	\$3,338,100	3.6%	\$82,600	\$3,304,100	2.6%	\$48,500	\$3,270,000	1.5%
Lake Michigan	\$5,417,700	\$147,900	\$5,565,600	2.7%	\$180,600	\$5,598,300	3.3%	\$127,900	\$5,545,600	2.4%	\$75,100	\$5,492,800	1.4%
Lansing	\$31,288,200	\$627,100	\$31,915,300	2.0%	\$936,800	\$32,225,000	3.0%	\$663,400	\$31,951,600	2.1%	\$389,100	\$31,677,300	1.2%
Macomb	\$33,239,500	\$660,700	\$33,900,200	2.0%	\$1,064,800	\$34,304,300	3.2%	\$754,100	\$33,993,600	2.3%	\$442,300	\$33,681,800	1.3%
Mid-Michigan	\$4,757,700	\$159,600	\$4,917,300	3.4%	\$183,800	\$4,941,500	3.9%	\$130,100	\$4,887,800	2.7%	\$76,400	\$4,834,100	1.6%
Monroe County	\$4,565,600	\$113,500	\$4,679,100	2.5%	\$171,100	\$4,736,700	3.7%	\$121,100	\$4,686,700	2.7%	\$71,100	\$4,636,700	1.6%
Montcalm	\$3,280,600	\$123,400	\$3,404,000	3.8%	\$150,400	\$3,431,000	4.6%	\$106,500	\$3,387,100	3.2%	\$62,500	\$3,343,100	1.9%
Mott	\$15,901,700	\$376,700	\$16,278,400	2.4%	\$514,700	\$16,416,400	3.2%	\$364,500	\$16,266,200	2.3%	\$213,800	\$16,115,500	1.3%
Muskegon	\$9,020,700	\$248,000	\$9,268,700	2.7%	\$312,600	\$9,333,300	3.5%	\$221,300	\$9,242,000	2.5%	\$129,900	\$9,150,600	1.4%
North Central	\$3,224,800	\$120,300	\$3,345,100	3.7%	\$157,800	\$3,382,600	4.9%	\$111,800	\$3,336,600	3.5%	\$65,600	\$3,290,400	2.0%
Northwestern	\$9,200,500	\$209,500	\$9,410,000	2.3%	\$282,800	\$9,483,300	3.1%	\$200,300	\$9,400,800	2.2%	\$117,500	\$9,318,000	1.3%
Oakland	\$21,429,400	\$548,800	\$21,978,200	2.6%	\$822,100	\$22,251,500	3.8%	\$582,200	\$22,011,600	2.7%	\$341,500	\$21,770,900	1.6%
Schoolcraft	\$12,706,400	\$351,400	\$13,057,800	2.8%	\$488,400	\$13,194,800	3.8%	\$345,900	\$13,052,300	2.7%	\$202,900	\$12,909,300	1.6%
Southwestern	\$6,657,600	\$116,000	\$6,773,600	1.7%	\$180,200	\$6,837,800	2.7%	\$127,600	\$6,785,200	1.9%	\$74,900	\$6,732,500	1.1%
St. Clair	\$7,158,000	\$179,100	\$7,337,100	2.5%	\$243,800	\$7,401,800	3.4%	\$172,600	\$7,330,600	2.4%	\$101,300	\$7,259,300	1.4%
Washtenaw	\$13,301,100	\$423,600	\$13,724,700	3.2%	\$560,600	\$13,861,700	4.2%	\$397,000	\$13,698,100	3.0%	\$232,900	\$13,534,000	1.8%
Wayne County	\$16,989,800	\$463,000	\$17,452,800	2.7%	\$588,300	\$17,578,100	3.5%	\$416,600	\$17,406,400	2.5%	\$244,400	\$17,234,200	1.4%
West Shore	\$2,446,200	\$81,300	\$2,527,500	3.3%	\$76,600	\$2,522,800	3.1%	\$54,300	\$2,500,500	2.2%	\$31,800	\$2,478,000	1.3%
<b>Total</b>	<b>\$311,492,000</b>	<b>\$7,500,000</b>	<b>\$318,992,000</b>	<b>2.4%</b>	<b>\$10,590,700</b>	<b>\$322,082,700</b>	<b>3.4%</b>	<b>\$7,500,000</b>	<b>\$318,992,000</b>	<b>2.4%</b>	<b>\$4,400,000</b>	<b>\$315,892,000</b>	<b>1.4%</b>

**FY 2016-17 Community Colleges Budget: Appropriations**

FY 2016 YTD as of 2/10/16	EXECUTIVE				HOUSE				SENATE				CONFERENCE					
	Appropriation	Change from Current Year		Appropriation	Change from Executive		Change from Current Year		Appropriation	Change from Executive		Change from Current Year		Appropriation	Change from Executive		Change from Current Year	
		Dollars	%		Dollars	%	Dollars	%		Dollars	%	Dollars	%		Dollars	%	Dollars	%
<b>Operations Grants</b>																		
Gross 311,492,000	318,992,000	7,500,000	2.4%	322,082,700	3,090,700	1.0%	10,590,700	3.4%	318,992,000	0	0.0%	7,500,000	2.4%	315,892,000	(3,100,000)	-1.0%	4,400,000	1.4%
Restricted 236,181,200	185,481,200	(50,700,000)		185,481,200	0		(50,700,000)		185,481,200	0		(50,700,000)		185,481,200	0		(50,700,000)	
GF/GP 75,310,800	133,510,800	58,200,000		136,601,500	3,090,700		61,290,700		133,510,800	0		58,200,000		130,410,800	(3,100,000)		55,100,000	
<b>MPSERS State Share</b>																		
Gross 69,500,000	73,200,000	3,700,000	5.3%	73,200,000	0	0.0%	3,700,000	5.3%	73,200,000	0	0.0%	3,700,000	5.3%	73,200,000	0	0.0%	3,700,000	5.3%
Restricted 17,200,000	73,200,000	56,000,000		73,200,000	0		56,000,000		73,200,000	0		56,000,000		73,200,000	0		56,000,000	
GF/GP 52,300,000	0	(52,300,000)		0	0		(52,300,000)		0	0		(52,300,000)		0	0		(52,300,000)	
<b>MPSERS Offset</b>																		
Gross 1,733,600	1,733,600	0	0.0%	1,733,600	0	0.0%	0	0.0%	1,733,600	0	0.0%	0	0.0%	1,733,600	0	0.0%	0	0.0%
Restricted 1,733,600	1,733,600	0		1,733,600	0		0		1,733,600	0		0		1,733,600	0		0	
GF/GP 0	0	0		0	0		0		0	0		0		0	0		0	
<b>Renaissance Zone Reimbursements</b>																		
Gross 5,100,000	5,100,000	0	0.0%	5,100,000	0	0.0%	0	0.0%	5,100,000	0	0.0%	0	0.0%	5,100,000	0	0.0%	0	0.0%
Restricted 1,600,000	0	(1,600,000)		0	0		(1,600,000)		0	0		(1,600,000)		0	0		(1,600,000)	
GF/GP 3,500,000	5,100,000	1,600,000		5,100,000	0		1,600,000		5,100,000	0		1,600,000		5,100,000	0		1,600,000	
<b>TOTAL BUDGET</b>																		
Gross 387,825,600	399,025,600	11,200,000	2.9%	402,116,300	3,090,700	0.8%	14,290,700	3.7%	399,025,600	0	0.0%	11,200,000	2.9%	395,925,600	(3,100,000)	-0.8%	8,100,000	2.1%
Federal 0	0	0		0	0		0		0	0		0		0	0		0	
Restricted 256,714,800	260,414,800	3,700,000	1.4%	260,414,800	0	0.0%	3,700,000	1.4%	260,414,800	0	0.0%	3,700,000	1.4%	260,414,800	0	0.0%	3,700,000	1.4%
GF/GP 131,110,800	138,610,800	7,500,000	5.7%	141,701,500	3,090,700	2.2%	10,590,700	8.1%	138,610,800	0	0.0%	7,500,000	5.7%	135,510,800	(3,100,000)	-2.4%	4,400,000	3.4%

**FY 2016-17: HIGHER EDUCATION  
Summary: Conference Report  
Article III, Senate Bill 801 (S-1) CR-1**



**Analyst: Marilyn Peterson**

IDG/IDT	FY 2015-16 YTD as of 2/10/16	FY 2016-17 Executive	FY 2016-17 House (HB 5291)	FY 2016-17 Senate (SB 801)	FY 2016-17 Conference	Difference: Conference From FY 2015-16 YTD	
						Amount	%
	\$0	\$0	\$0	\$0	\$0	\$0	--
<b>Federal</b>	97,026,400	99,026,400	99,026,400	100,179,200	101,526,400	4,500,000	4.6
<b>Local</b>	0	0	0	0	0	0	--
<b>Private</b>	0	0	0	0	0	0	--
<b>Restricted</b>	205,279,500	237,209,500	237,209,600	237,209,500	237,209,500	31,930,000	15.6
<b>GF/GP</b>	1,232,418,500	1,262,418,500	1,250,047,300	1,262,418,500	1,243,904,500	11,486,000	0.9
<b>Gross</b>	<b>\$1,534,724,400</b>	<b>\$1,598,654,400</b>	<b>\$1,586,283,300</b>	<b>\$1,599,807,200</b>	<b>\$1,582,640,400</b>	<b>\$47,916,000</b>	<b>3.1</b>

Notes: (1) FY 2015-16 year-to-date figures include mid-year budget adjustments through February 10, 2016. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time." (3) "House" refers to budget as passed by the House in HB 5291; "Senate" refers to budget as passed by the Senate in SB 801.

**Overview**

The Higher Education budget, contained in Article III of the compiled School Aid Act, provides funding for operational support of the state's 15 public universities, the AgBioResearch and Extension programs operated by Michigan State University, various financial aid programs for students attending public and independent colleges and universities in the state, and several other smaller higher education-related programs.

**Major Budget Changes From FY 2015-16 YTD Appropriations**

**1. University Operations**

Conference increases university operations funding by 2.9% (\$39.8 million), a reduction of \$20.0 million GF/GP from the Executive, and concurs with Executive, House, and Senate in reinstating the formula component that distributes 50% of the performance funding based on each university's share of operational funding appropriated in the baseline year of FY 2010-11. Percentages applying to other formula components are thus halved; those other components are weighted completions, research and development expenditures, and comparisons to Carnegie peers, the latter of which includes four metrics.

	FY 2015-16 Year-to-Date (as of 2/10/16)	FY 2016-17 Conference Change
<b>Gross</b>	<b>\$1,360,557,600</b>	<b>\$39,787,400</b>
Restricted	200,019,500	31,200,000
GF/GP	\$1,160,538,100	\$8,587,400

Performance funding that would otherwise be allocated to Eastern and Oakland is reduced by \$400,000 for each school and divided equally among the four other institutions that would still be below FY 2010-11 funding levels: Michigan State, UM-Ann Arbor, Wayne State, and Western.

Receipt of performance funding conditioned on restraining tuition/fee increases to 4.2% (set at 3.2% in current year). Projected funding increases for individual universities range from 2.4% to 4.5%.

Executive increases university operations funding by \$59.8 million (\$31.2 million School Aid Fund, \$28.6 million GF/GP), a 4.4% increase that brings total support to FY 2010-11's level of \$1.4 billion. Increase distributed under a revised performance funding formula that reinstates a component that distributes 50% of the increase based on each university's share of operational funding appropriated in the baseline year of FY 2010-11. Percentages applying to other formula components thus halved. Receipt of performance funding conditioned on restraining resident undergraduate tuition/fee increases to 4.8%. Projected funding increases for individual universities ranging from 3.5% to 6.8%.

**Major Budget Changes From FY 2015-16 YTD Appropriations**

**FY 2015-16  
Year-to-Date  
(as of 2/10/16)**

**FY 2016-17  
Conference  
Change**

See previous  
page for  
Conference  
change

**1. University Operations, continued**

House increases university operations funding by 3.4% (\$46.3 million), a reduction of \$13.5 million GF/GP from the Executive. House concurs with Executive's reinstatement of a performance funding formula component that distributes 50% of the increase based on each university's share of operational funding appropriated in the baseline year of FY 2010-11. House further revises formula to incorporate a fifth Carnegie metric: whether the university received a 2010 or 2015 Community Engagement classification. House conditions performance funding on restraining resident undergraduate tuition/fee increases to 4.8% or \$500, whichever was more. Projected funding increases for universities ranging from 2.8% to 4.7%.

Senate concurs with Executive in total amount of university performance funding and formula changes, but reduces funding for Eastern and Oakland by the amounts that they otherwise would have received under the formula component distributing 50% of the performance funding based on FY 2010-11 appropriations. The resulting \$2.7 million (about \$1.6 million from Eastern and about \$1.7 million from Oakland) divided equally between the remaining four universities that would still be below FY 2010-11 funding levels, thereby providing \$667,100 each for Michigan State, University of Michigan – Ann Arbor, Wayne State, and Western. Senate concurs with Executive in 4.8% tuition restraint cap. Projected funding increases for individual universities ranging from 2.4% to 5.2%.

**2. MSU AgBioResearch and MSU Extension**

Executive provides increases for Michigan State's AgBioResearch and Extension programs, bringing funding for each to FY 2010-11 levels. AgBioResearch with 2.3% (\$734,800 GF/GP) increase, bringing funding to \$33.2 million; Extension with 2.4% (\$677,800 GF/GP) increase, bringing funding to \$28.7 million.

House, Senate, and Conference concur.

<b>Gross</b>	<b>\$60,503,100</b>	<b>\$1,412,600</b>
GF/GP	\$60,503,100	\$1,412,600

**3. MSU Veterinary Diagnostic Laboratory**

Conference provides one-time appropriation of \$500,000 GF/GP for MSU's Diagnostic Center for Population and Animal Health, which assists in identifying emerging animal and public health issues and works with national, state, and local officials on research and responses to threats such as avian influenza, bovine tuberculosis, West Nile virus, and chronic wasting disease.

<b>Gross</b>	<b>NA</b>	<b>\$500,000</b>
GF/GP	NA	\$500,000

**4. Michigan Public School Employees' Retirement System (MPSERS)**

Executive assumes enactment of a cap of 25.73% of payroll on university payments for unfunded accrued liability under MPSERS. Executive provides \$5.9 million in School Aid Fund (SAF) revenues to pay the difference between the 25.73% cap and universities' unfunded accrued liability. This would affect the seven universities with MPSERS employees: Central, Eastern, Ferris, Lake Superior State, Michigan Tech, Northern, and Western. Current-year funding is \$5.2 million, which also assumes enactment of 25.73% cap.

House, Senate, and Conference concur.

<b>Gross</b>	<b>\$5,160,000</b>	<b>\$730,000</b>
Restricted	5,160,000	730,000

**5. State Competitive Scholarships**

Senate provides a 2.2% increase, adding \$404,000 in federal TANF funding to this program, which assists with tuition and mandatory fees for undergraduate students pursuing their first degrees who have demonstrated both financial need and academic merit. Executive, House, and Conference make no changes.

<b>Gross</b>	<b>\$18,361,700</b>	<b>\$0</b>
Federal	18,361,700	0
GF/GP	\$0	\$0

<b><u>Major Budget Changes From FY 2015-16 YTD Appropriations</u></b>	<b>FY 2015-16 Year-to-Date (as of 2/10/16)</b>	<b>FY 2016-17 Conference Change</b>	
<b>6. Tuition Incentive Program</b>	<b>Gross</b>	<b>\$48,500,000</b>	<b>\$4,500,000</b>
<u>Executive</u> adds \$2.0 million federal TANF funds for Tuition Incentive Program, which pays associate's degree tuition for Medicaid-eligible students completing high school, and provides tuition assistance of up to \$2,000 for participants continuing on with a baccalaureate. Total funding would be \$50.5 million (\$45.8 million TANF, \$4.7 million GF/GP). FY 2014-15 expenditures were \$49.4 million, and the Executive also seeks a \$2.0 million FY 2015-16 supplemental appropriation for the program, which would bring current-year funding to \$50.5 million. Executive also proposes annual cap of \$8.5 million on total awards at any one college or university (affects Ferris State University).	Federal	43,800,000	4,500,000
<u>House</u> and <u>Senate</u> concur in funding increase, but do not include cap on total awards at any one institution. <u>Senate</u> further requires Phase I payments to be prorated as necessary to reflect available resources and the amount appropriated.	GF/GP	\$4,700,000	\$0
<u>Conference</u> concurs with Executive on per-institution cap on total awards, and increases funding by \$4.5 million TANF, for total appropriations of \$53.0 million. The conference report also increases current-year funding by \$4.5 million TANF (see below).			

<b>7. Tuition Grant Program</b>	<b>Gross</b>	<b>\$34,035,500</b>	<b>\$986,000</b>
<u>Executive</u> proposes no funding change for this financial aid program for students at independent colleges and universities.	Federal	31,664,700	0
<u>House</u> increases funding by \$1.2 million GF/GP, a 3.4% increase.	GF/GP	\$2,370,800	\$986,000
<u>Senate</u> increases by \$748,800 using federal TANF revenues, providing a 2.2% increase for the program.			
<u>Conference</u> increases by \$986,000 GF/GP, a 2.9% increase in total funding.			

<b>8. Indian Tuition Waiver Program</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
<u>House</u> provides a \$100 placeholder, funded with School Aid Fund revenues, for potential funding to offset some portion of the gap between Indian Tuition Waiver funding previously rolled into university appropriations and actual costs.	Restricted	NA	0
<u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.			

<b><u>FY 2015-16 SUPPLEMENTAL APPROPRIATIONS</u></b>	<b>FY 2015-16 Year-to-Date (as of 2/10/16)</b>	<b>FY 2015-16 Supplemental Appropriations</b>	
<b>1. Tuition Incentive Program</b>	<b>Gross</b>	<b>\$48,500,000</b>	<b>\$4,500,000</b>
In a revised supplemental request made May 6, 2016, the <u>Executive</u> seeks an additional \$4.5 million in federal TANF authorization to meet anticipated current-year costs of the Tuition Incentive Program. <u>Conference</u> includes language to provide this supplemental appropriation.	Federal	43,800,000	4,500,000
	GF/GP	\$4,700,000	\$0

### **Major Boilerplate Changes From FY 2015-16**

#### **GENERAL SECTIONS**

##### ***Sec. 236a. Intent Regarding Succeeding Fiscal Year – RETAINED***

Executive replaces Sec. 236a, which expresses legislative intent to maintain appropriations, with a new Article IV containing an itemized summary of appropriations for FY 2016-17 and anticipated for FY 2017-18, with the only FY 2017-18 change being an additional \$200,000 in funding for MPSERS unfunded accrued liabilities in excess of the proposed 25.73% employer cap. Conference, House, and Senate retain current-year language.

##### ***Sec. 236c. State Building Authority Rent Payments – REVISED***

Executive itemizes estimated SBA rent payments to be made under the DTMB budget for university capital outlay projects. Current-year payments total an estimated \$136.0 million, updated to \$145.0 million for FY 2016-17. Conference, House, and Senate concur.



## **Major Boilerplate Changes From FY 2015-16**

### **Sec. 239a. Foreign Vehicles – DELETED**

States intent that funds appropriated to universities not be used to purchase vehicles assembled outside the United States. Executive and Conference delete, House and Senate retain.

### **Sec. 242. Federal or Private Funds – RETAINED**

Appropriates federal or private funds received by the state for use by a college or university. Executive deletes language specifying that acceptance of funds does not place an ongoing obligation on the legislature; Conference, House, and Senate retain this language.

### **Sec. 245. University Transparency – RETAINED**

Requires universities to post various budget, compensation, financial, and performance data, as well as transfer policies, on its website, using a standard format. Executive deletes requirement that state budget director determine compliance and language granting authority to withhold payments for a university not in compliance; Conference, House, and Senate retain this language.

## **GRANTS AND FINANCIAL AID**

### **Sec. 252. Tuition Grant Program – REVISED**

Establishes conditions for the Tuition Grant Program, which provides need-based tuition assistance at Michigan independent (i.e., private and nonprofit) colleges and universities.

- Executive deletes requirement for unexpended funds to continue to be available in the next fiscal year; unexpended funds thus would lapse to the General Fund. Conference, House, and Senate retain the rollover provision.
- Executive reduces annual cap on awards at any one institution (which affects awards at Baker College and Davenport University) from the current \$3.2 million to \$3.0 million. House raises cap to \$3.5 million, Senate raises cap to \$3.3 million, Conference retains current cap of \$3.2 million.
- Executive moves application deadline from July 1 to March 1. Conference, House, and Senate retain current deadline.

### **Sec. 254. Financial Aid Payment Schedule – REVISED**

Specifies quarterly payment schedule for financial aid programs: 50%, 30%, 10%, 10%. Executive recommends a revised quarterly payment schedule for the Tuition Incentive Program in which payments are completed in the first three quarters: 55%, 40%, 5%. Conference, House, and Senate concur.

### **Sec. 256. Tuition Incentive Program – REVISED**

Provides for the tuition incentive program, which pays associate's degree ("Phase I") tuition for Medicaid-eligible students completing high school, and provides tuition assistance of up to \$2,000 for participants continuing on with a baccalaureate ("Phase II"). Executive proposes annual limit of \$8.5 million in awards at any one college or university, beginning in FY 2017-18, a change that currently would affect only Ferris State University. House does not include this cap. Senate does not include cap, and instead requires proration of Phase I awards if appropriation insufficient. Conference concurs with Executive.

## **UNIVERSITY OPERATIONS**

### **Sec. 261. Douglas Lake Biological Station – RETAINED**

Designates University of Michigan Douglas lake Biological Station as a unique resource. Executive deletes; Conference, House, and Senate retain.

### **Sec. 265. Performance Funding Criteria: Tuition Restraint – REVISED**

Conditions receipt of performance funding in part on compliance with tuition restraint requirements that limit allowable resident undergraduate tuition/fee increases to 3.2% over the prior year.

- Executive increases the limit to 4.8%. House sets limit at 4.8% or \$500, whichever is more. Senate concurs with Executive. Conference sets at 4.2%.
- Executive deletes language that in part defines "fee" to include the cost of a university-affiliated health insurance policy for a university that compels resident undergraduate students to have health insurance coverage as a condition of enrollment. Conference, House, and Senate retain this language.
- Executive clarifies various terms consistent with usage. Conference, House, and Senate concur.

Conference includes Senate language that says that universities that exceed the tuition restraint cap shall not receive a planning or construction authorization for a state-funded capital outlay project in FY 2017-18 or FY 2018-19.

Conference also adds a provision explicitly stating that the legislature may at any time adjust appropriations for a university that adopts a tuition and fee increase that exceeds the tuition restraint cap.

## **Major Boilerplate Changes From FY 2015-16**

### **Sec. 265a. Performance Funding Criteria and Formula – REVISED**

Conditions receipt of performance funding on:

- Compliance with tuition restraint provisions.
- Certification that university participates in reverse transfer agreements with at least three Michigan community colleges, or has made a good faith effort to do so. Executive deletes language regarding good faith effort. Conference, House, and Senate concur.
- Certification that dual enrollment policy does not consider use of credits toward high school graduation requirements.
- Participation in Michigan Transfer Network; Executive revises to specify active participation, including submission of timely updates. Conference, House, and Senate concur.

Establishes process for universities to certify compliance with all requirements. Provides for performance funding forfeited due to noncompliance to be redistributed to other universities based on their performance funding appropriations.

Sets the formula used to distribute performance funding, currently distributed as follows:

- 22.2% based on weighted undergraduate completions in critical skills areas.
- 11.1% based on research and development expenditures (for high-research universities)
- 66.7% based on comparisons with Carnegie classification peers (or improvement) on four metrics: six-year graduation rate, total degree completions, institutional support as a percentage of core expenditures, and percentage of students receiving Pell grants.

Executive reinstates a component that distributes 50% of performance funding proportional to each university's share of total operations funding in the baseline year of FY 2010-11, thereby halving the percentages applying to the remaining three components. Conference, House, and Senate concur.

Executive also deletes statement of intent to lower score for three-year improvement from 2 points to 1 point. House concurs. Senate and Conference retain the statement.

Conference does not include House's formula revision to add a fifth Carnegie metric (scored at 3 points) of whether a university received a Carnegie Community Engagement classification in 2010 or 2015.

### **Sec. 268. Indian Tuition Waivers – REVISED**

Executive deletes language expressing legislative intent for universities to allocate Indian Tuition Waiver costs from the general fund, and states that a report required from the Department of Civil Rights is to include specified information from each "public university," rather than "postsecondary institution."

Conference, House, and Senate retain statement of legislative intent regarding allocation of Indian Tuition Waiver costs, and revise and clarify reporting requirements to include university data on number of undergraduate and graduate waiver students, costs of waivers, and degree and certification completion, by degree or certificate level. In conjunction with providing a \$100 placeholder for potential funding, House also includes language providing for distribution of Indian Tuition Waiver appropriations.

### **Sec. 271a. Instructional Activity Pertaining to Unionization – RETAINED**

States intent that public universities not use appropriations to offer instructional activity that targets companies or groups of companies for unionization or decertification of a union. Executive deletes; Conference, House, and Senate retain.

### **Sec. 274. Embryonic Stem Cell Research – RETAINED**

States intent that organizations conducting research using human embryonic stem cells report to the Department of Health and Human Services regarding compliance with federal guidelines and stem cell lines derived by university. Executive deletes; Conference, House, and Senate retain.

### **Sec. 275. Veterans' Policies and Reports – RETAINED**

States legislative intent for universities to provide various veterans-related services and requires certain reports. Executive deletes report requirement pertaining to participation in yellow ribbon GI education program. Conference, House, and Senate retain.

### **Sec. 275a. Capital Outlay Requirements – RETAINED**

Prohibits use of state funds for self-liquidating projects; requires compliance with Joint Capital Outlay Subcommittee reporting requirements, with specified penalty of 1.0% of appropriation for failure to comply. Executive deletes; Conference, House, and Senate retain.

### **Sec. 286a. Academic Program Partnerships – NEW**

Conference includes Senate language requiring Michigan Community College Association, Michigan Association of State Universities, and Michigan Independent Colleges and Universities to report on academic partnerships between public community colleges, public universities, and private colleges and universities.

### **Sec. 293. Student Records – DELETED**

Requires universities to provide information from the records of a student to persons authorized by the student. Executive deletes; Conference, House, and Senate concur.

### Summary: FY 2016-17 University Performance Funding Increases

University	Proportional to FY 2010-11			Performance Funding Proportional to Share of Total				Performance Funding Scored vs. National Carnegie Peers										Redistribute Across-the-Board Funding	*Total Performance Funding Increase	Proposed FY 2016-17 Appropriation	Percent Change
	% of formula: 50.0%			11.1%		5.6%		33.3%													
	Funding per unit: \$0.0140 per dollar			\$273.01 per completion		\$0.0018 per dollar		\$8.81 per weighted point													
FY 2015-16 Year-to-Date Appropriation	FY 2010-11 Appropriation	Funding	Critical Skills Undergrad Completions	Funding	Research & Development Expenditures	Funding	6-year Grad Rate	Total Degrees	Instl. Support as % of Expend.	% Students Receiving Pell Grants	Total Points	Total Undergrad FYES	FYES-Weighted Points	Funding							
Michigan State	\$268,770,700	\$283,685,200	\$3,973,365	2,767	\$755,414	\$311,961,002	\$547,140	2	3	0	0	5	36,653	183,265	\$1,615,449	200,000	\$7,091,400	\$275,862,100	2.6%		
UM-Ann Arbor	299,975,000	\$316,254,500	4,429,538	2,971	811,107	\$704,342,000	1,235,327	3	3	2	0	8	28,192	225,533	1,988,031	200,000	\$8,664,000	308,639,000	2.9%		
Wayne State	191,451,300	\$214,171,400	2,999,737	885	241,612	\$150,737,120	264,374	2	2	0	3	7	14,706	102,943	907,428	200,000	\$4,613,200	196,064,500	2.4%		
Michigan Tech	46,754,700	\$47,924,200	671,238	902	246,253	\$51,389,065	90,130	3	2	2	0	7	5,432	38,023	335,168		\$1,342,800	48,097,500	2.9%		
Western	104,334,100	\$109,615,100	1,535,296	1,089	297,306	\$18,997,041	33,318	2	2	0	3	7	16,870	118,087	1,040,912	200,000	\$3,106,800	107,440,900	3.0%		
Central	81,127,100	\$80,132,000	1,122,349	861	235,060	\$13,794,808	24,194	3	3	3	0	9	17,859	160,731	1,416,816		\$2,798,400	83,925,500	3.4%		
Oakland	48,371,900	\$50,761,300	710,975	1,119	305,496	\$9,080,916	15,927	2	3	2	0	7	14,851	103,957	916,363	(400,000)	\$1,548,800	49,920,700	3.2%		
Eastern	71,782,500	\$76,026,200	1,064,842	817	223,048			0	3	2	2	7	14,966	104,759	923,431	(400,000)	\$1,811,300	73,593,800	2.5%		
Ferris	50,369,800	\$48,619,200	680,972	1,305	356,276			2	3	2	2	9	10,750	96,750	852,835		\$1,890,100	52,259,900	3.8%		
Grand Valley	65,275,700	\$61,976,400	868,057	1,281	349,724			3	3	2	2	10	19,677	196,767	1,734,467		\$2,952,200	68,227,900	4.5%		
Saginaw Valley	28,181,200	\$27,720,700	388,263	463	126,403			0	2	2	2	6	7,906	47,434	418,124		\$932,800	29,114,000	3.3%		
UM-Dearborn	24,033,100	\$24,726,200	346,321	435	118,759			2	2	0	2	6	5,770	34,620	305,169		\$770,200	24,803,300	3.2%		
UM-Flint	21,815,400	\$20,898,000	292,703	558	152,339			0	2	2	2	6	5,462	32,775	288,903		\$733,900	22,549,300	3.4%		
Northern	45,107,700	\$45,140,300	632,246	550	150,155			2	2	2	0	6	7,356	44,136	389,051		\$1,171,500	46,279,200	2.6%		
Lake Superior	13,207,400	\$12,694,200	177,798	190	51,872			2	3	0	2	7	2,112	14,784	130,318		\$360,000	13,567,400	2.7%		
<b>TOTAL:</b>	<b>\$1,360,557,600</b>	<b>\$1,420,344,900</b>	<b>\$19,893,700</b>	<b>16,193</b>	<b>\$4,420,822</b>	<b>\$1,260,301,952</b>	<b>\$2,210,411</b>	<b>28</b>	<b>38</b>	<b>21</b>	<b>20</b>	<b>107</b>	<b>208,561</b>	<b>1,504,563</b>	<b>\$13,262,467</b>	<b>\$0</b>	<b>\$39,787,400</b>	<b>\$1,400,345,000</b>	<b>2.9%</b>		

**Funding Increase:** \$39,787,400  
**Percent Increase:** 2.9%

Data Notes	Source	Years	Notes
Critical skills undergrad completions	State HEIDI	FYs 2014-2015	STEM/health/etc.
Research & develop expends	Federal IPEDS	FY 2014	Carnegie research universities only
Six-year graduation rate	Federal IPEDS^	FYs 2010-2013	First-time, full-time degree seeking students
Total degree completions	Federal IPEDS^	FYs 2010-2013	Includes graduate degrees
Inst support as % of core expends	Federal IPEDS^	FYs 2010-2013	Measure of administrative costs
Pell grant students	Federal IPEDS^	FYs 2011-2013	Federal need-based aid for undergrads
Undergrad FYES	State HEIDI	FY 2015	Includes nonresident students

^ via Business Leaders for Michigan and Anderson Economic Group

Scoring Based on Carnegie Peers	
Top 20% nationally	3
Above national median	2
Improving over 3 years	2

**\*Requirements to receive funding increase:**

1. Restrain FY 2016-17 resident undergraduate tuition/fee rate increase to 4.2% or below
2. Participate in at least three reverse transfer agreements with community colleges
3. Maintain a dual enrollment credit policy that does not consider whether credits were used toward high school graduation
4. Actively participate in and submit timely updates to the Michigan Transfer Network

**FY 2016-17 Higher Education Budget: Appropriations (Sec. 236)**

FY 2016 YTD	EXECUTIVE			HOUSE (HB 5291)			SENATE (SB 801)				CONFERENCE (SB 801 (S-1) CR-1)							
	Appropriation	Change from Current Year Dollars	%	Appropriation	Change from Executive Dollars	%	Change from Current Year Dollars	%	Appropriation	Change from Executive Dollars	%	Change from Current Year Dollars	%	Appropriation	Change from Executive Dollars	%	Change from Current Year Dollars	%
<b>University Operations</b>																		
Gross	\$1,360,557,600	\$59,787,400	4.4%	\$1,406,816,600	(\$13,528,400)		\$46,259,000	3.4%	\$1,420,345,000	\$0		\$59,787,400	4.4%	\$1,400,345,000	(\$20,000,000)		\$39,787,400	2.9%
Restricted	200,019,500	31,200,000		231,219,500	0		31,200,000		231,219,500	0		31,200,000		231,219,500	0		31,200,000	
GF/GP	1,160,538,100	28,587,400		1,175,597,100	(13,528,400)		15,059,000		1,189,125,500	0		28,587,400		1,169,125,500	(20,000,000)		8,587,400	
<b>MSU AgBioResearch</b>																		
Gross	32,508,300	734,800	2.3%	33,243,100	0		734,800	2.3%	33,243,100	0		734,800	2.3%	33,243,100	0		734,800	2.3%
GF/GP	32,508,300	734,800		33,243,100	0		734,800		33,243,100	0		734,800		33,243,100	0		734,800	
<b>MSU Extension</b>																		
Gross	27,994,800	677,800	2.4%	28,672,600	0		677,800	2.4%	28,672,600	0		677,800	2.4%	28,672,600	0		677,800	2.4%
GF/GP	27,994,800	677,800		28,672,600	0		677,800		28,672,600	0		677,800		28,672,600	0		677,800	
<b>MPSERS</b>																		
Gross	5,160,000	730,000	14.1%	5,890,000	0		730,000	14.1%	5,890,000	0		730,000	14.1%	5,890,000	0		730,000	14.1%
Restricted	5,160,000	730,000		5,890,000	0		730,000		5,890,000	0		730,000		5,890,000	0		730,000	
<b>HEIDI</b>																		
Gross	200,000	0		200,000	0		0		200,000	0		0		200,000	0		0	
GF/GP	200,000	0		200,000	0		0		200,000	0		0		200,000	0		0	
<b>Midwest Compact</b>																		
Gross	115,000	0		115,000	0		0	0.0%	115,000	0		0		115,000	0		0	
GF/GP	115,000	0		115,000	0		0		115,000	0		0		115,000	0		0	
<b>King-Chavez-Parks</b>																		
Gross	2,691,500	0		2,691,500	0		0		2,691,500	0		0		2,691,500	0		0	
GF/GP	2,691,500	0		2,691,500	0		0		2,691,500	0		0		2,691,500	0		0	
<b>Competitive Scholarships</b>																		
Gross	18,361,700	0		18,361,700	0		0	2.2%	18,765,700	404,000		404,000	2.2%	18,361,700	0		0	0.0%
Federal	18,361,700	0		18,361,700	0		0		18,765,700	404,000		404,000		18,361,700	0		0	
<b>Tuition Grant Program</b>																		
Gross	34,035,500	0		35,192,700	1,157,200		1,157,200	3.4%	34,784,300	748,800		748,800	2.2%	35,021,500	986,000		986,000	2.9%
Federal	31,664,700	0		31,664,700	0		0		32,413,500	748,800		748,800		31,664,700	0		0	
GF/GP	2,370,800	0		3,528,000	1,157,200		1,157,200		2,370,800	0		0		3,356,800	986,000		986,000	
<b>Tuition Incentive Program*</b>																		
Gross	48,500,000	2,000,000	4.1%	50,500,000	0		2,000,000	4.1%	50,500,000	0		2,000,000	4.1%	53,000,000	2,500,000		4,500,000	9.3%
Federal	43,800,000	2,000,000		45,800,000	0		2,000,000		45,800,000	0		2,000,000		48,300,000	2,500,000		4,500,000	
GF/GP	4,700,000	0		4,700,000	0		0		4,700,000	0		0		4,700,000	0		0	
<b>Vets' Children/Ofc's Surv</b>																		
Gross	1,400,000	0		1,400,000	0		0		1,400,000	0		0		1,400,000	0		0	
Restricted	100,000	0		100,000	0		0		100,000	0		0		100,000	0		0	
GF/GP	1,300,000	0		1,300,000	0		0		1,300,000	0		0		1,300,000	0		0	
<b>Project GEAR-UP</b>																		
Gross	3,200,000	0		3,200,000	0		0		3,200,000	0		0		3,200,000	0		0	
Federal	3,200,000	0		3,200,000	0		0		3,200,000	0		0		3,200,000	0		0	
<b>MSU Veterinary Lab</b>																		
Gross	0	0		0	0		0		0	0		0		500,000	500,000		500,000	
GF/GP	0	0		0	0		0		0	0		0		500,000	500,000		500,000	
<b>Indian Tuition Waivers</b>																		
Gross	0	0		100	100		100		0	0		0		0	0		0	
Restricted	0	0		100	100		100		0	0		0		0	0		0	
<b>TOTAL BUDGET</b>																		
Gross	\$1,534,724,400	\$63,930,000	4.2%	\$1,586,283,300	(\$12,371,100)	-0.8%	\$51,558,900	3.4%	\$1,599,807,200	\$1,152,800	0.1%	\$65,082,800	4.2%	\$1,582,640,400	(\$16,014,000)	-1.0%	\$47,916,000	3.1%
Federal	97,026,400	2,000,000	2.1%	99,026,400	0	0	2,000,000	2.1%	100,179,200	1,152,800	1.2%	3,152,800	3.2%	101,526,400	2,500,000	2.5%	4,500,000	4.6%
Restricted	205,279,500	31,930,000	15.6%	237,209,600	100	0	31,930,100	15.6%	237,209,500	0	0	31,930,000	15.6%	237,209,500	0	0	31,930,000	15.6%
GF/GP	\$1,232,418,500	\$30,000,000	2.4%	\$1,250,047,300	(\$12,371,200)	-1.0%	\$17,628,800	1.4%	\$1,262,418,500	\$0	0	\$30,000,000	2.4%	\$1,243,904,500	(\$18,514,000)	-1.5%	\$11,486,000	0.9%

\* Tuition Incentive Program year-to-date appropriation as of 5/31/16; does not reflect \$4.5 million FY 2015-16 supplemental appropriation incorporated into FY 2016-17 conference report.