



Senate Fiscal Agency
P.O. Box 30036
Lansing, Michigan 48909-7536



BILL ANALYSIS

Telephone: (517) 373-2768
Fax: (517) 373-1986

**Senate Bill 801 (S-1) CR-1:
Education Omnibus Appropriation Bill
FY 2015-16 and FY 2016-17**

Bill Page Nos.

- Article I – School Aid (S.B. 796) 1 - 307
- Article II – Community Colleges (S.B. 784) 307 - 335
- Article III – Higher Education (S.B. 790)..... 335 - 374

Date Completed: 6-8-16

Education Omnibus Appropriation Bill Senate Bill 801 (S-1) CR-1 FY 2016-17 Appropriations		
Department/Budget Area	FY 2016-17 Gross Appropriation	FY 2016-17 GF/GP Appropriation
Community Colleges	\$395,925,600	\$135,510,800
Higher Education.....	1,582,640,400	1,243,904,500
School Aid K-12	14,161,842,100	218,900,000
Total Education Omnibus Appropriations.....	\$16,140,408,100	\$1,598,315,300

General Omnibus Appropriation Bill House Bill 5294 (H-1) CR-1 FY 2016-17 Appropriations		
Department/Budget Area	FY 2016-17 Gross Appropriation	FY 2016-17 GF/GP Appropriation
Agriculture and Rural Development	\$94,101,300	\$49,926,900
Attorney General	101,485,800	42,840,500
Civil Rights	16,248,500	13,021,300
Corrections	2,002,729,000	1,951,957,900
Education	331,975,200	76,181,200
Environmental Quality	513,549,400	47,736,400
Executive	5,636,300	5,636,300
Health and Human Services	24,841,836,800	4,374,548,300
Insurance and Financial Services	66,257,200	150,000
Judiciary	298,234,000	189,157,400
Legislative Auditor General	23,651,900	16,123,900
Legislature	141,903,600	137,227,800
Licensing and Regulatory Affairs	418,062,400	43,721,100
Military and Veterans Affairs	174,100,200	55,243,600
Natural Resources	398,254,100	39,910,000
State	248,015,600	22,109,600
State Police	649,476,100	402,662,800
Talent and Economic Development	1,145,994,300	179,388,900
Technology, Management, and Budget	1,301,191,700	485,518,600
Transportation	4,114,503,600	8,500,000
Treasury-Debt Service	137,037,000	137,037,000
Treasury-Operations	519,123,200	98,408,800
Treasury-Revenue Sharing	1,228,982,700	0
Total General Omnibus Appropriations.....	\$38,772,349,900	\$8,377,008,300

	FY 2016-17 Gross Appropriation	FY 2016-17 GF/GP Appropriation
TOTAL EDUCATION/GENERAL APPROPRIATIONS	\$54,912,758,000	\$9,975,323,600

**Education Omnibus Appropriation Bill
Senate Bill 801 (S-1) CR-1
FY 2015-16 Supplemental Appropriations**

Budget Area/Program	FY 2015-16 Gross Appropriation	FY 2015-16 GF/GP Appropriation
Higher Education		
Tuition Incentive Program (TIP) Caseload/Cost Increases (Federal TANF)	<u>\$4,500,000</u>	<u>\$0</u>
Total Higher Education	\$4,500,000	\$0
School Aid		
Flint Declaration of Water Emergency (Sec. 11o).....	9,200,000	9,200,000
<u>Cost Adjustments:</u>		
Special Education (Secs. 51a and 51c)	\$26,700,000	\$0
School Bond Loan Fund Debt Service (Sec. 11j)	(116,000,000)	0
Foundation Allowance (Secs. 22a and 22b)	(57,700,000)	0
Career and Technical Education/Dual Enrollment (Sec. 61b)	(9,000,000)	0
Renaissance Zone Costs (Sec. 26a)	(6,300,000)	0
Additional Instruction Time (Sec. 35a(6)).....	(3,900,000)	0
School Breakfast (Sec. 31f)	(3,125,000)	0
Parents University Pilot (Sec. 35a(2))	(1,000,000)	0
Student Transition Grants in Dissolved Districts (Sec. 20g)	(1,000,000)	0
Cash Flow Borrowing Costs (Sec. 11m)	(1,000,000)	0
Juvenile Detention Facilities (Sec. 24a)	(888,800)	0
Promise Zone (Sec. 26c)	<u>(332,000)</u>	<u>0</u>
Total School Aid	(\$164,345,800)	\$9,200,000
Total FY 2015-16 Education Omnibus Supplemental	(\$159,845,800)	\$9,200,000



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FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2015-16 YEAR-TO-DATE	FY 2016-17 CONFERENCE	CHANGES FROM FY 2015-16 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	N/A	N/A	0.0	0.0
GROSS	13,900,654,300	14,161,842,100	261,187,800	1.9
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS	13,900,654,300	14,161,842,100	261,187,800	1.9
Less:				
Federal Funds.....	1,775,769,200	1,818,632,700	42,863,500	2.4
Local and Private	0	0	0	0.0
TOTAL STATE SPENDING	12,124,885,100	12,343,209,400	218,324,300	1.8
Less:				
Other State Restricted Funds.....	12,078,985,100	12,124,309,400	45,324,300	0.4
GENERAL FUND/GENERAL PURPOSE	45,900,000	218,900,000	173,000,000	376.9
PAYMENTS TO LOCALS	11,967,255,600	12,181,929,700	214,674,100	1.8

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

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

Items Included by the Senate and House

1. **MPSERS Rate Cap.** Conference included an \$89.3 million increase in the statutory rate cap for the Michigan Public School Employees' Retirement System (MPSERS). 89,300,000
2. **State Special Education Funding.** Conference included an increase of \$54.5 million for estimated costs in special education. 54,500,000
3. **Federal Grants.** Conference included an increase of \$42.9 million in Federal funds. 42,863,500
4. **Flint Declaration of Emergency.** Conference included \$10.1 million GF/GP to provide Early On, Great Start Readiness Program, school nurses, school social workers, and other staff and materials for Flint Schools and Genesee Intermediate School District (ISD). This is an estimate for one-half of the year's costs, with the other one-half proposed to be set aside in FY 2015-16 for future use. 10,142,600
5. **Career and Technical Education (CTE) Equipment Upgrades.** Governor, Senate, and House included a new \$10.0 million GF/GP program to provide equipment upgrades at CTE centers. Conference reduced amount to \$3,200,000. 3,200,000
6. **Water Testing in Schools.** Governor included \$9.0 million in a new categorical to provide reimbursement to districts that voluntarily choose to test water for lead levels. Total estimated cost statewide is \$27.0 million, with \$9.0 million recommended in a supplemental for FY 2015-16, and \$9.0 million anticipated for FY 2017-18, if necessary. Conference did not include; instead, this is funded at \$4.5 million GF/GP in the Department of Education bill. 0
7. **Integrated Behavior and Learning Support (MiBLSi).** Governor, Senate, and House funded a new program designed to decrease disruptive classroom behaviors and increase reading skills, at \$1,370,000. Conference reduced funding to \$1,125,000. 1,125,000

8. ISD Operations. Senate and House increased ISD funding by 1.6% to match the proposed increase in the foundation allowance, costing \$1.1 million. Conference did not include.	0
9. Technical Foundation Allowance Cost Adjustments. Conference included savings of \$126.7 million related to adjustments in pupils and taxable values.	(126,700,000)
10. Technology Grants. Conference eliminated funding for technology grants since FY 2015-16 was the last scheduled year for these payments, designed to ensure districts were able to switch to online assessments.	(23,500,000)
11. College and Career Readiness Outreach. Conference reduced outreach funding for career and college readiness from \$600,000 to \$50,000.	(550,000)
12. Economic Adjustments. Includes \$58,680 Gross and \$46,500 GF/GP for OPEB and \$204,520 Gross and \$159,700 GF/GP for other economic adjustments.	263,200
<u>Conference Agreement on Items of Difference</u>	
13. Foundation Allowance. Conference recommended a \$150.0 million GF/GP increase in foundation allowance funding to provide increases ranging from \$60 to \$120. Conference did not include Senate's \$300 per-pupil foundation allowance incentive for districts that consolidated using the grant process under Section 22g of the budget.	150,000,000
14. Detroit Schools' Foundation Allowance. Governor and House included \$72.0 million to pay the additional foundation allowance costs if Detroit Public Schools' existing 18-mill property tax levy (currently paying a portion of the district's foundation allowance) is diverted to pay off debt. Governor also proposed to earmark Tobacco Settlement dollars into a Community District Education Trust Fund, which pay for this School Aid cost. Senate did not include. Conference included.	72,000,000
15. Educator Evaluations. Governor included \$10.0 million for costs associated with educator evaluations. Senate included a \$100 placeholder. House and Conference did not include.	0
16. State School Reform Office (SRO). Governor and Senate included \$5.0 million to provide additional financial resources to districts with schools placed under the oversight of the SRO due to chronically low-performing status, and to provide funding for chief executive officers who have been appointed to take control of one or more schools in the district. House included a \$100 placeholder. Conference concurred with Governor and Senate to fund.	5,000,000
17. Nonpublic School Mandates. Senate added \$5.0 million (House added \$1.0 million) GF/GP to reimburse nonpublic schools for costs associated with State mandates. Conference funded at \$2.5 million.	2,500,000
18. CTE Early/Middle College. Governor and House increased funding to reimburse for costs associated with establishing or operating CTE early/middle colleges, from \$10.0 million to \$15.0 million. Senate did not concur, and instead maintained funding at \$10.0 million. Conference funded at \$9.0 million, a reduction of \$1.0 million from current law.	(1,000,000)
19. Consolidation Innovation Grants. Governor and House maintained funding at \$5.0 million. Senate increased funding by \$1.5 million and established a new process for consolidation grants. Conference reduced by \$2.0 million from current law, to a total of \$3.0 million.	(2,000,000)
20. Pupil Membership Blend Change. Governor recommended placing a higher weight on the prior February and a lower weight on the current September count (from 90/10 to 50/50). Senate moved the pupil weighting to a 75/25 blend and added another \$1.3 million. House used a blend of current fall and prior fall. Conference maintained the current 90/10 blend.	0
21. Partnership between ISD and Health Department. Senate added \$500,000 to support the costs of a partnership between the Van Buren ISD and the local health department for CTE programs. Conference funded this item at \$250,000.	250,000

- 22. **Other New Programs.** Conference included \$250,000 GF/GP for the support of local produce in schools; \$175,000 for a partnership between an ISD and an early learning collaborative exploring early childhood education benefits for three-year-olds; \$79,000 GF/GP for a provider of restaurant management and culinary skills; \$1.5 million GF/GP for an online algebra instruction tool; \$500,000 GF/GP for a competency-based transcript pilot; and \$1.5 million for year-round schools grants. 4,004,000

- 23. **Other Increases.** Conference included a \$2.0 million increase for gang prevention grants; a \$1.0 million increase in cash flow borrowing costs, a \$1.0 million increase for science, technology, engineering, and math- (STEM) related activities, a \$500,000 increase for FIRST Robotics, \$390,000 for increased Promise Zone reimbursements, \$128,300 for increased Payments in Lieu of Taxes (PILT) reimbursement, and a \$110,000 increase for the Department of Military and Veterans Affairs Youth Challenge Academy. 5,101,200

- 24. **Reductions in other Programs' Costs.** Conference aligned funding with projected costs in the following areas: Renaissance Zone reimbursements (\$6.3 million), school breakfasts (\$3,125,000), dropout recovery and strict discipline academies (\$0.5 million), transition grants (\$340,000), and educational costs associated with the closure of Maxey (\$861,700). (11,126,700)

- 25. **State Assessments.** Conference reduced funding for State assessments used to provide paper and pencil options while districts converted to online learning funding for the kindergarten entry assessment, but required kindergarten entry and readiness assessments. (10,100,000)

- 26. **Elimination of Programs.** Conference eliminated funding for the following programs: updates of teacher certification tests (\$1.8 million GF/GP); Parents University pilot project (\$1.0 million); early literacy teacher test (\$500,000); Michigan STEM partnership (\$475,000); STEM professional development (\$250,000); and Civics Education (\$60,000). (4,085,000)

Total Changes	\$261,187,800
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FY 2016-17 Conference Report Ongoing/One-Time Gross Appropriation	\$14,161,842,100
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Amount Over/(Under) GF/GP Target: \$0

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

Items Included by the Senate and House

1. **Definitions - General Educational Development (GED).** Conference recommended replacing references to GED testing with GED, the test assessing secondary completion (TASC), the HISET test, or another comparable test, and also replaced GED certificate with high school equivalency certificate. (Sections 4, 6(4)(m), 98, and 107)
2. **Reporting of Financial Data.** Conference proposed language requiring that financial data be consistent with audited statements, and allowed the withholding of State aid if the data are not consistent with the audit. (Sec. 18)
3. **Penalty Intent Language in Special Education.** Conference changed legislative intent language that stated the intent to penalize districts, charters, or ISDs 10.0% of their State aid payment for failure to comply with a requirement that the resident district/ISD is responsible for special education services provided to a resident pupil who is enrolled in a charter school located in a different ISD to an actual financial penalty. (Sec. 51a(15))

Conference Agreement on Items of Difference

4. **Definitions - Community District.** Senate and Conference added a definition for a "community district", and included a community district in the definition for purposes of State aid. (Sec. 3)
5. **Pupil Membership Blend.** Governor changed the pupil membership blend from a 90% weight on the current September count plus 10% on the prior February count to 50/50. Senate changed the blend to a 72/25. House used 85% current fall/15% prior fall. Conference included no change to the blend calculation. (Sec. 6(4))
6. **Shared Time/Nonpublic Pupils.** Governor proposed that a nonpublic part-time pupil enrolled in grades 1 to 12 be counted for not more than one-third of an FTE. Senate concurred; cap of one-half. House/Conference did not include.

7. **Statewide Standard Reporting.** Governor and House deleted legislative intent to implement statewide standard reporting requirements for education data approved by the Department along with the Center for Educational Performance and Information (CEPI). Senate and Conference retained the language and removed the "intent" designation, requiring districts to implement the standardized reporting beginning with FY 2017-18. (Sec. 19)
8. **Consolidation Foundation Allowance Incentive.** Senate added a foundation allowance adjustment for consolidations. Any district consolidating using the process under Sec. 22g would get a \$300 per-pupil bonus for two years. House/Conference did not include. (Sec. 20)
9. **Dissolved District Debt.** Senate and Conference included intent of the Legislature that the outstanding debt of Buena Vista be paid out of the work project set up for Saginaw ISD at the time of dissolution. (Sec. 20g)
10. **Enrollment in Virtual Courses.** Governor included numerous changes to the section prescribing policies and procedures for districts enrolling students in virtual courses, including allowing districts to deny enrollment in an online course if a pupil is in kindergarten through fifth grade. Conference concurred in the majority of the changes. (Sec. 21f)
11. **Expansion of Consolidation Incentive Grants.** Governor included language allowing consolidation incentive grants also to be used for dissolutions that occur on or after June 1, 2016. Senate increased funding and restructured the grant program into a three-step process. Conference concurred with Governor. (Sec. 22g)
12. **Pupil Transfer Process.** Governor deleted a section allowing districts to get funding from the original enrolling district for students who enroll after the fall count day and before the spring count day. Conference retained the section applicable only for pupils enrolled in strict discipline academies. (Sec. 25e)
13. **Great Start Readiness Program.** Conference included a change from "children" to "slots" to ensure that each ISD receives at least as many slots as in the prior year unless fewer children are actually in need. Senate further changed the cap and structure for administrative spending (to be 4.0% for ISDs, with sub-recipient spending for administration counted in program costs); House admin cap was 5.0%. Conference included 4.0% admin cap. Senate and Conference removed children served only in Head Start programs from counting toward meeting 30.0% threshold. (Sec. 32d)
14. **Career and Technical Education.** Conference added language allowing for CTE early/middle college funding to also be provided to programs that receive funding under Section 61a for allowable costs not reimbursed under that section, which provides for "traditional" CTE funding to districts, as well as CTE dual enrollment programs. In addition, Conference added language allowing for grants to be made under the section for planning. (Sec. 61b)
15. **MiSTEM Programs.** Governor included language allocating funds for the purpose of funding Michigan science, technology, engineering, and math (MiSTEM) based on recommendations of the MiSTEM advisory council, and if the council is unable to make specific funding recommendations by March 1, 2016, the Department is directed to distribute the funds on a competitive grant basis. Conference restructured by earmarking some of the funds for specific purposes, and extending the deadline to June 1, 2016 for the Council to make specific grant recommendations. (Sec. 99s)
16. **District Scorecard.** Senate and Conference added language requiring the Department to work with CEPI use the number of kids enrolled at the time of the State assessment to determine participation on the scorecard. (Sec. 104)
17. **Kindergarten Entry Assessment (KEA).** Governor removed the required field testing of the KEA, and replaced the entry assessment with assessments in the fall and spring for English language arts and math. Conference amended the language to require the State to provide the KEA to districts who are interested in using it, and required the Department to field test a Kindergarten Readiness Assessment. (Sections 104)
18. **Adult Education.** Conference changed eligibility definitions in this section, such that the individual can be enrolled in an adult basic education program, an adult secondary education program, an adult English as a second language program, a high school equivalency test preparation program, or a high school completion program, and the individual must either be at least age 20 or be defined as an "out-of-school youth". The payment cap of \$2,850 per full-time equivalent participant also was removed. Conference changed the funding formula, striking the 80% enrollment/20% completion formula and replacing with a formula that uses statewide allocation criteria, three-year averaging of actual enrollments, census data, local needs, participant completion of adult basic education objectives, participant completion of core indicators, and allowable expenditures. Conference implemented a one-year freeze on the planned phase-in of a new funding formula. (Sec. 107)
19. **Nonpublic Pupils.** Conference added a requirement for the Department to set up a workgroup to examine a uniform definition for a part-time nonpublic or home school pupil and for non-core elective courses. (Sec. 166b)

Date Completed: 6-6-16

Fiscal Analyst: Kathryn Summers

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



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

Line Item Description	Public Act 85 Initial Approps FY 2015-16	Revised Rec FY 2015-16 05/24/2016	Governor's Budget FY 2016-17	Difference from FY 2015-16 Initial Approps.	Senate Passed 05/24/2016	Difference from FY 2015-16 Initial Approps.	House Passed 05/24/2016	Difference from FY 2015-16 Initial Approps.	Conference 05/31/2016	Difference from FY 2015-16 Initial Approps.
Sec. 11j School Bond Loan Fund Payments - Debt Service	\$126,500.0	\$10,500.0	\$126,500.0	\$0.0	\$126,500.0	\$0.0	\$126,500.0	\$0.0	\$126,500.0	\$0.0
Sec. 11m Cash Flow Borrowing Costs	\$2,000.0	\$1,000.0	\$3,000.0	\$1,000.0	\$3,000.0	\$1,000.0	\$3,000.0	\$1,000.0	\$3,000.0	\$1,000.0
Sec. 11o/s Flint Declaration of Emergency - NEW	\$0.0	\$9,200.0	\$10,142.6	\$10,142.6	\$10,142.6	\$10,142.6	\$10,142.6	\$10,142.6	\$10,142.6	\$10,142.6
Sec. 20f Categorical Offset Payments	\$18,000.0	\$18,000.0	\$18,000.0	\$0.0	\$27,000.0	\$9,000.0	\$18,000.0	\$0.0	\$18,000.0	\$0.0
Sec. 20g Student Transition Grants in Dissolved Districts	\$2,200.0	\$1,200.0	\$2,200.0	\$0.0	\$2,200.0	\$0.0	\$2,200.0	\$0.0	\$1,860.0	(\$340.0)
Sec. 21 State School Reform/Redesign - NEW	\$0.0	\$0.0	\$5,000.0	\$5,000.0	\$5,000.0	\$5,000.0	\$0.1	\$0.1	\$5,000.0	\$5,000.0
Sec. 21g Competency-Based Funding Pilot - NEW	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$1,000.0	\$1,000.0	\$500.0	\$500.0
Sec 22a Proposal A Obligation Payment	\$5,281,700.0	\$5,260,000.0	\$5,206,000.0	(\$75,700.0)	\$5,202,300.0	(\$79,400.0)	\$5,218,500.0	(\$63,200.0)	\$5,205,000.0	(\$76,700.0)
Sec. 22b Discretionary Payment - State	\$3,728,000.0	\$3,692,000.0	\$3,900,000.0	\$172,000.0	\$3,819,900.0	\$91,900.0	\$3,900,000.0	\$172,000.0	\$3,900,000.0	\$172,000.0
Sec. 22d Isolated Districts Funding	\$5,000.0	\$5,000.0	\$5,000.0	\$0.0	\$5,000.0	\$0.0	\$5,000.0	\$0.0	\$5,000.0	\$0.0
Sec. 22g Consolidation Innovation Grants	\$5,000.0	\$5,000.0	\$5,000.0	\$0.0	\$6,500.0	\$1,500.0	\$5,000.0	\$0.0	\$3,000.0	(\$2,000.0)
Sec. 22i Technology Infrastructure and iSchool	\$23,500.0	\$23,500.0	\$0.0	(\$23,500.0)	\$0.0	(\$23,500.0)	\$0.0	(\$23,500.0)	\$0.0	(\$23,500.0)
Sec. 24 Court-Placed Pupils	\$8,000.0	\$8,000.0	\$8,000.0	\$0.0	\$8,000.0	\$0.0	\$8,000.0	\$0.0	\$8,000.0	\$0.0
Sec. 24a Juvenile Detention Facilities	\$2,189.8	\$1,301.0	\$1,328.1	(\$861.7)	\$1,328.1	(\$861.7)	\$1,328.1	(\$861.7)	\$1,328.1	(\$861.7)
Sec. 24c Challenge Program	\$1,497.4	\$1,497.4	\$1,522.4	\$25.0	\$1,732.4	\$235.0	\$1,522.4	\$25.0	\$1,632.4	\$135.0
Sec. 25f Strict Discipline Academies	\$1,000.0	\$1,000.0	\$250.0	(\$750.0)	\$1,000.0	\$0.0	\$250.0	(\$750.0)	\$750.0	(\$250.0)
Sec. 25g Dropout Recovery	\$1,000.0	\$1,000.0	\$250.0	(\$750.0)	\$1,000.0	\$0.0	\$250.0	(\$750.0)	\$750.0	(\$250.0)
Sec. 26a Renaissance Zone Costs	\$26,300.0	\$20,000.0	\$20,000.0	(\$6,300.0)	\$20,000.0	(\$6,300.0)	\$20,000.0	(\$6,300.0)	\$20,000.0	(\$6,300.0)
Sec. 26b PILT Reimbursement	\$4,276.8	\$4,276.8	\$4,405.1	\$128.3	\$4,405.1	\$128.3	\$4,405.1	\$128.3	\$4,405.1	\$128.3
Sec. 26c Promise Zone	\$610.0	\$278.0	\$1,000.0	\$390.0	\$1,000.0	\$390.0	\$1,000.0	\$390.0	\$1,000.0	\$390.0
Sec. 31a "At Risk" Pupil Support	\$378,988.2	\$378,988.2	\$378,988.2	\$0.0	\$378,988.2	\$0.0	\$396,988.2	\$18,000.0	\$378,988.2	\$0.0
Sec. 31a Child and Adolescent Health Centers	\$5,557.3	\$5,557.3	\$5,557.3	\$0.0	\$5,557.3	\$0.0	\$5,557.3	\$0.0	\$5,557.3	\$0.0
Sec. 31a Vision/Hearing Screening	\$5,150.0	\$5,150.0	\$5,150.0	\$0.0	\$5,150.0	\$0.0	\$5,150.0	\$0.0	\$5,150.0	\$0.0
Sec. 31b Year-Round Schools Grants - NEW	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$3,500.0	\$3,500.0	\$1,500.0	\$1,500.0
Sec. 31c Gang Prevention and Intervention Programs	\$1,000.0	\$1,000.0	\$0.0	(\$1,000.0)	\$0.0	(\$1,000.0)	\$4,000.0	\$3,000.0	\$3,000.0	\$2,000.0
Sec. 31d School Lunch Programs - State Share	\$22,495.1	\$22,495.1	\$22,495.1	\$0.0	\$22,495.1	\$0.0	\$22,495.1	\$0.0	\$22,495.1	\$0.0
Sec. 31d School Lunch Programs - Federal Share	\$513,200.0	\$513,200.0	\$513,200.0	\$0.0	\$513,200.0	\$0.0	\$513,200.0	\$0.0	\$513,200.0	\$0.0
Sec. 31f School Breakfast	\$5,625.0	\$2,500.0	\$2,500.0	(\$3,125.0)	\$2,500.0	(\$3,125.0)	\$2,500.0	(\$3,125.0)	\$2,500.0	(\$3,125.0)
Sec. 31h Cooperative Education Grant	\$300.0	\$300.0	\$0.0	(\$300.0)	\$300.0	\$0.0	\$0.0	(\$300.0)	\$300.0	\$0.0
Sec. 31j Support of Local Produce in School Meals - NEW	\$0.0	\$0.0	\$0.0	\$0.0	\$500.0	\$500.0	\$0.0	\$0.0	\$250.0	\$250.0
Sec. 32d Great Start - School Readiness	\$243,900.0	\$243,900.0	\$243,900.0	\$0.0	\$243,900.0	\$0.0	\$243,900.0	\$0.0	\$243,900.0	\$0.0
Sec. 32p Great Start Early Childhood Block Grants	\$13,400.0	\$13,400.0	\$13,400.0	\$0.0	\$13,400.0	\$0.0	\$13,400.0	\$0.0	\$13,400.0	\$0.0
Sec. 32q Early learning cooperative - NEW	\$0.0	\$0.0	\$0.0	\$0.0	\$175.0	\$175.0	\$0.0	\$0.0	\$175.0	\$175.0
Sec. 35 MDE Administration of Early Reading Initiatives	\$1,000.0	\$1,000.0	\$1,000.0	\$0.0	\$1,000.0	\$0.0	\$1,000.0	\$0.0	\$1,000.0	\$0.0
Sec. 35a(2) Parents University Pilot	\$1,000.0	\$0.0	\$0.0	(\$1,000.0)	\$0.0	(\$1,000.0)	\$0.0	(\$1,000.0)	\$0.0	(\$1,000.0)
Sec. 35a(3) Research-Based Professional Development on Early Literacy	\$950.0	\$950.0	\$950.0	\$0.0	\$950.0	\$0.0	\$950.0	\$0.0	\$950.0	\$0.0
Sec. 35a(4) Evidence-Based Professional Development in Assessments	\$1,450.0	\$1,450.0	\$1,450.0	\$0.0	\$1,450.0	\$0.0	\$1,450.0	\$0.0	\$1,450.0	\$0.0
Sec. 35a(5) Investment in Literacy Coaches for K-3 Teachers	\$3,000.0	\$3,000.0	\$3,000.0	\$0.0	\$3,000.0	\$0.0	\$3,000.0	\$0.0	\$3,000.0	\$0.0
Sec. 35a(6) Additional Instructional Time	\$17,500.0	\$13,600.0	\$17,500.0	\$0.0	\$17,500.0	\$0.0	\$17,500.0	\$0.0	\$17,500.0	\$0.0
Sec. 35a(7) Michigan Education Corps	\$1,000.0	\$1,000.0	\$0.0	(\$1,000.0)	\$1,000.0	\$0.0	\$0.0	(\$1,000.0)	\$1,000.0	\$0.0
Sec. 35a(8) Elementary Teacher Assessment of Reading Instruction	\$500.0	\$500.0	\$0.0	(\$500.0)	\$0.0	(\$500.0)	\$0.0	(\$500.0)	\$0.0	(\$500.0)
Sec. 39a(1) NCLB Federal DOE Grants	\$779,076.4	\$779,076.4	\$821,939.9	\$42,863.5	\$821,939.9	\$42,863.5	\$821,939.9	\$42,863.5	\$821,939.9	\$42,863.5
Sec 39a(2) Other Non-NCLB Federal DOE Grants	\$30,800.0	\$30,800.0	\$30,800.0	\$0.0	\$30,800.0	\$0.0	\$30,800.0	\$0.0	\$30,800.0	\$0.0
Sec. 41 Bilingual Education	\$1,200.0	\$1,200.0	\$1,200.0	\$0.0	\$1,200.0	\$0.0	\$1,200.0	\$0.0	\$1,200.0	\$0.0
Sec. 43 Teacher Certification Test Review	\$1,800.0	\$1,800.0	\$0.0	(\$1,800.0)	\$0.0	(\$1,800.0)	\$0.0	(\$1,800.0)	\$0.0	(\$1,800.0)
Sec. 51a Special Education - Federal IDEA	\$370,000.0	\$370,000.0	\$370,000.0	\$0.0	\$370,000.0	\$0.0	\$370,000.0	\$0.0	\$370,000.0	\$0.0
Sec. 51a(2) Spec. Ed. Foundations - State Share	\$251,800.0	\$263,500.0	\$271,600.0	\$19,800.0	\$271,600.0	\$19,800.0	\$271,600.0	\$19,800.0	\$271,600.0	\$19,800.0
Sec. 51a(3) Spec. Ed. Hold Harmless to ISDs - State Share	\$1,300.0	\$1,000.0	\$1,100.0	(\$200.0)	\$1,100.0	(\$200.0)	\$1,100.0	(\$200.0)	\$1,100.0	(\$200.0)
Sec. 51a(6) Spec. Ed. Rules Change - State Share	\$2,200.0	\$2,200.0	\$2,200.0	\$0.0	\$2,200.0	\$0.0	\$2,200.0	\$0.0	\$2,200.0	\$0.0
Sec. 51a(11) Spec. Ed. Non Sec. 52 to ISDs - State Share	\$3,300.0	\$3,800.0	\$3,700.0	\$400.0	\$3,700.0	\$400.0	\$3,700.0	\$400.0	\$3,700.0	\$400.0
Sec. 51c Special Education Headlee - State Share	\$610,000.0	\$624,800.0	\$644,500.0	\$34,500.0	\$644,500.0	\$34,500.0	\$644,500.0	\$34,500.0	\$644,500.0	\$34,500.0
Sec. 51d Special Education - Other Federal	\$71,000.0	\$71,000.0	\$71,000.0	\$0.0	\$71,000.0	\$0.0	\$71,000.0	\$0.0	\$71,000.0	\$0.0
Sec. 53a Court-Placed Spec. Ed. FTEs - State Share	\$10,500.0	\$10,500.0	\$10,500.0	\$0.0	\$10,500.0	\$0.0	\$10,500.0	\$0.0	\$10,500.0	\$0.0
Sec. 54 MI School for Deaf and Blind - State Share	\$1,688.0	\$1,688.0	\$1,688.0	\$0.0	\$1,688.0	\$0.0	\$1,688.0	\$0.0	\$1,688.0	\$0.0
Sec. 54b Integrated Behavior and Learning Support (MiBLSi) - NEW	\$0.0	\$0.0	\$1,370.0	\$1,370.0	\$1,370.0	\$1,370.0	\$1,370.0	\$1,370.0	\$1,125.0	\$1,125.0
Sec. 55 Conductive Learning Center Study	\$150.0	\$150.0	\$150.0	\$0.0	\$150.0	\$0.0	\$150.0	\$0.0	\$150.0	\$0.0



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

Line Item Description	Public Act 85 Initial Approps FY 2015-16	Revised Rec FY 2015-16 05/24/2016	Governor's Budget FY 2016-17	Difference from FY 2015-16 Initial Approps.	Senate Passed 05/24/2016	Difference from FY 2015-16 Initial Approps.	House Passed 05/24/2016	Difference from FY 2015-16 Initial Approps.	Conference 05/31/2016	Difference from FY 2015-16 Initial Approps.
Sec. 56 Spec. Ed. Millage Equalization - State Share	\$37,758.1	\$37,758.1	\$37,758.1	\$0.0	\$37,758.1	\$0.0	\$37,758.1	\$0.0	\$37,758.1	\$0.0
Sec. 59 Gifted and Talented - NEW	\$0.0	\$0.0	\$0.0	\$0.0	\$0.1	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0
Sec. 61a Vocational Education	\$36,611.3	\$36,611.3	\$36,611.3	\$0.0	\$36,611.3	\$0.0	\$36,726.3	\$115.0	\$36,690.3	\$79.0
Sec. 61b Career and Technical Education/Dual Enrollment	\$10,000.0	\$1,000.0	\$15,000.0	\$5,000.0	\$10,000.0	\$0.0	\$15,000.0	\$5,000.0	\$9,000.0	(\$1,000.0)
Sec. 61c Career and Technical Education Equipment Upgrades - NEW	\$0.0	\$0.0	\$10,000.0	\$10,000.0	\$10,000.0	\$10,000.0	\$10,000.0	\$10,000.0	\$3,200.0	\$3,200.0
Sec. 61d Innovative Educational Pipeline Program - NEW	\$0.0	\$0.0	\$0.0	\$0.0	\$500.0	\$500.0	\$0.0	\$0.0	\$0.0	\$0.0
Sec. 61e Restaurant Management and Culinary Training - NEW	\$0.0	\$0.0	\$0.0	\$0.0	\$100.0	\$100.0	\$0.0	\$0.0	\$0.0	\$0.0
Sec. 62 ISD Vocational Ed Millage Equalization	\$9,190.0	\$9,190.0	\$9,190.0	\$0.0	\$9,190.0	\$0.0	\$9,190.0	\$0.0	\$9,190.0	\$0.0
Sec. 63 ISD/Health Department Partnership for CTE/Health - NEW	\$0.0	\$0.0	\$0.0	\$0.0	\$500.0	\$500.0	\$0.0	\$0.0	\$250.0	\$250.0
Sec. 64b Dual Enrollment Incentive Payments	\$1,750.0	\$1,750.0	\$1,750.0	\$0.0	\$1,750.0	\$0.0	\$1,750.0	\$0.0	\$1,750.0	\$0.0
Sec. 65 Detroit Precollege Engineering	\$340.0	\$340.0	\$340.0	\$0.0	\$340.0	\$0.0	\$340.0	\$0.0	\$340.0	\$0.0
Sec. 67 College and Career Readiness Tools	\$3,600.0	\$3,600.0	\$3,050.0	(\$550.0)	\$3,050.0	(\$550.0)	\$3,050.0	(\$550.0)	\$3,050.0	(\$550.0)
Sec. 74 Bus Driver Safety Instruction	\$1,625.0	\$1,625.0	\$1,625.0	\$0.0	\$1,625.0	\$0.0	\$1,625.0	\$0.0	\$1,625.0	\$0.0
Sec. 74 School Bus Inspections	\$1,690.7	\$1,690.7	\$1,695.6	\$4.9	\$1,695.6	\$4.9	\$1,695.6	\$4.9	\$1,695.6	\$4.9
Sec. 78 Statewide School Water Testing Program - NEW	\$0.0	\$0.0	\$9,000.0	\$9,000.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Sec. 81 ISD General Operations Support	\$67,108.0	\$67,108.0	\$68,182.0	\$1,074.0	\$68,182.0	\$1,074.0	\$68,182.0	\$1,074.0	\$67,108.0	\$0.0
Sec. 94 Advanced Placement (AP) Incentive Program	\$250.0	\$250.0	\$250.0	\$0.0	\$250.0	\$0.0	\$250.0	\$0.0	\$250.0	\$0.0
Sec. 94a Center for Educ. Perf. and Information - State Share	\$11,967.0	\$11,967.0	\$12,173.2	\$206.2	\$12,173.2	\$206.2	\$12,173.2	\$206.2	\$12,173.2	\$206.2
Sec. 94a Center for Educ. Perf. and Information - Federal	\$193.5	\$193.5	\$193.5	\$0.0	\$193.5	\$0.0	\$193.5	\$0.0	\$193.5	\$0.0
Sec. 95a Educator Evaluations	\$0.0	\$0.0	\$10,000.0	\$10,000.0	\$0.1	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0
Sec. 95b Student Growth Tool - NEW	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.1	\$0.1	\$0.0	\$0.0
Sec. 98 Michigan Virtual High School - State	\$7,387.5	\$7,387.5	\$7,387.5	\$0.0	\$7,000.0	(\$387.5)	\$7,387.5	\$0.0	\$7,387.5	\$0.0
Sec. 99c Civics Education	\$60.0	\$60.0	\$0.0	(\$60.0)	\$60.0	\$0.0	\$0.0	(\$60.0)	\$0.0	(\$60.0)
Sec. 99h FIRST Robotics	\$2,000.0	\$2,000.0	\$2,500.0	\$500.0	\$2,500.0	\$500.0	\$2,000.0	\$0.0	\$2,500.0	\$500.0
Sec. 99s(2) Comprehensive STEM Initiative	\$50.0	\$50.0	\$2,525.0	\$2,475.0	\$1,525.0	\$1,475.0	\$50.0	\$0.0	\$1,050.0	\$1,000.0
Sec. 99s(3) Math/Science Centers - State	\$2,750.0	\$2,750.0	\$2,750.0	\$0.0	\$3,750.0	\$1,000.0	\$2,750.0	\$0.0	\$2,750.0	\$0.0
Sec. 99s(3) Math/Science Centers - Federal	\$5,249.3	\$5,249.3	\$5,249.3	\$0.0	\$5,249.3	\$0.0	\$5,249.3	\$0.0	\$5,249.3	\$0.0
Sec. 99s(4) Michigan STEM Partnership	\$475.0	\$475.0	\$0.0	(\$475.0)	\$0.0	(\$475.0)	\$475.0	\$0.0	\$0.0	(\$475.0)
Sec. 99s(5) STEM Professional Development	\$250.0	\$250.0	\$0.0	(\$250.0)	\$0.0	(\$250.0)	\$250.0	\$0.0	\$0.0	(\$250.0)
Sec. 99s(6) Science Olympiad and STEM	\$250.0	\$250.0	\$0.0	(\$250.0)	\$500.0	\$250.0	\$250.0	\$0.0	\$250.0	\$0.0
Sec. 99s(7) Van Andel Education Institute	\$250.0	\$250.0	\$0.0	(\$250.0)	\$500.0	\$250.0	\$250.0	\$0.0	\$250.0	\$0.0
Sec. 99t Online Algebra Tool - NEW	\$0.0	\$0.0	\$0.0	\$0.0	\$0.1	\$0.1	\$2,000.0	\$2,000.0	\$1,500.0	\$1,500.0
Sec. 102d Reimbursement for Purchase of Financial Data Analysis Tool(s)	\$1,500.0	\$1,500.0	\$1,500.0	\$0.0	\$1,500.0	\$0.0	\$1,600.0	\$100.0	\$1,500.0	\$0.0
Sec. 104 MEAP Testing - State Share	\$43,994.4	\$43,994.4	\$33,894.4	(\$10,100.0)	\$35,236.8	(\$8,757.6)	\$22,000.0	(\$21,994.4)	\$33,894.4	(\$10,100.0)
Sec. 104 MEAP Testing - Federal Share	\$6,250.0	\$6,250.0	\$6,250.0	\$0.0	\$6,250.0	\$0.0	\$6,250.0	\$0.0	\$6,250.0	\$0.0
Sec. 104d Computer Adaptive Test	\$4,000.0	\$4,000.0	\$0.0	(\$4,000.0)	\$9,500.0	\$5,500.0	\$0.0	(\$4,000.0)	\$4,000.0	\$0.0
Sec. 107 Adult Education - State	\$25,000.0	\$25,000.0	\$25,000.0	\$0.0	\$25,000.0	\$0.0	\$25,000.0	\$0.0	\$25,000.0	\$0.0
Sec. 147a MPSERS District Reimbursement	\$100,000.0	\$100,000.0	\$100,000.0	\$0.0	\$100,000.0	\$0.0	\$100,000.0	\$0.0	\$100,000.0	\$0.0
Sec. 147c MPSERS Rate Cap (Section 41 of MPSERS Act)	\$893,500.0	\$893,500.0	\$982,800.0	\$89,300.0	\$982,800.0	\$89,300.0	\$982,800.0	\$89,300.0	\$982,800.0	\$89,300.0
Sec. 152a Adair v State of Michigan	\$38,000.5	\$38,000.5	\$38,000.5	\$0.0	\$38,000.5	\$0.0	\$38,000.5	\$0.0	\$38,000.5	\$0.0
Sec. 152b Reimbursement for Nonpublic Mandates - NEW	\$0.0	\$0.0	\$0.0	\$0.0	\$5,000.0	\$5,000.0	\$1,000.0	\$1,000.0	\$2,500.0	\$2,500.0
TOTAL SCHOOL AID APPROPRIATIONS	\$13,900,654.3	\$13,736,308.5	\$14,183,112.1	\$282,457.8	\$14,107,112.3	\$206,458.0	\$14,187,682.9	\$287,028.6	\$14,161,842.1	\$261,187.8
TOTAL REVENUE										
Federal Aid	\$1,775,769.2	\$1,775,769.2	\$1,818,632.7	\$42,863.5	\$1,818,632.7	\$42,863.5	\$1,818,632.7	\$42,863.5	\$1,818,632.7	\$42,863.5
School Aid Fund (SAF)	\$12,078,985.1	\$11,905,439.3	\$12,062,479.3	(\$16,505.8)	\$12,062,479.5	(\$16,505.6)	\$12,076,050.1	(\$2,935.0)	\$12,052,309.3	(\$26,675.8)
General Fund/General Purpose	\$45,900.0	\$55,100.0	\$230,000.0	\$184,100.0	\$226,000.0	\$180,100.0	\$221,000.0	\$175,100.0	\$218,900.0	\$173,000.0
Community District Education Trust Fund (\$72.0 m)/Other (\$100 Flint Reserve)	\$0.0	\$0.0	\$72,000.1	\$72,000.1	\$0.1	\$0.1	\$72,000.1	\$72,000.1	\$72,000.1	\$72,000.1
TOTAL REVENUE	\$13,900,654.3	\$13,736,308.5	\$14,183,112.1	\$282,457.8	\$14,107,112.3	\$206,458.0	\$14,187,682.9	\$287,028.6	\$14,161,842.1	\$261,187.8



Senate Fiscal Agency
P.O. Box 30036
Lansing, Michigan 48909-7536



Telephone: (517) 373-2768
Fax: (517) 373-1986

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2015-16 YEAR-TO-DATE	FY 2016-17 CONFERENCE	CHANGES FROM FY 2015-16 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	N/A	N/A	0.0	0.0
GROSS	387,825,600	395,925,600	8,100,000	2.1
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS	387,825,600	395,925,600	8,100,000	2.1
Less:				
Federal Funds.....	0	0	0	0.0
Local and Private	0	0	0	0.0
TOTAL STATE SPENDING	387,825,600	395,925,600	8,100,000	2.1
Less:				
Other State Restricted Funds.....	256,714,800	260,414,800	3,700,000	1.4
GENERAL FUND/GENERAL PURPOSE	131,110,800	135,510,800	4,400,000	3.4
PAYMENTS TO LOCALS	387,825,600	395,925,600	8,100,000	2.1

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

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

Items Included by the Senate and House

- Michigan Public School Employees Retirement System (MPSERS) Rate Cap.** 3,700,000
Governor, Senate, and House included \$3.7 million School Aid Fund (SAF) to continue funding the difference between the employer's capped contribution rate for unfunded accrued liabilities (20.96%) and the actual unfunded actuarial accrued liability contributions rate. MPSERS reform legislation requires the State to pay the difference between these amounts. The FY 2016-17 MPSERS appropriation totals \$73.2 million.
- Other Changes.** 0
Governor, Senate, and House shifted \$52.3 million SAF from college operations (\$50.7 million) and renaissance zone reimbursements (\$1.6 million) to the MPSERS appropriation to effectively fund the entire MPSERS appropriation from the SAF.

Conference Agreement on Items of Difference

- College Operations.** 4,400,000
Governor included a \$7.5 million GF/GP (2.4%) increase distributed through a modified version of the 2016 Performance Indicators Review Task Force recommendations. Senate included the \$7.5 million increase but distributed funding based on the Task Force model without the Governor's modifications. House included a \$10.6 million GF/GP (3.4%) increase distributed according to the Performance Indicators Review Task Force recommendations. Conference included a \$4.4 million GF/GP (1.4%) increase distributed pursuant to the Performance Indicators Review Task Force recommendations. Funding distributions by college are included in Tables 1 and 2.

Total Changes \$8,100,000

FY 2016-17 Conference Report Ongoing/One-Time Gross Appropriation \$395,925,600

Amount Over/(Under) GF/GP Target: \$0

Boilerplate Changes from FY 2015-16 Year-to-Date:Items Included by the Senate and House

1. **Restored Provisions.** Senate and House restored the following sections that were deleted by the Governor: Anticipated appropriations for subsequent fiscal year (Sec. 201a); prohibits use of appropriations for construction or maintenance of self-liquidating projects and requires compliance with Section 238 of the Management and Budget Act and Joint Capital Outlay Subcommittee use and finance requirements – includes penalty for noncompliance (Sec. 208); prohibition on use of appropriations for purchase or lease of foreign automobiles (Sec. 227); and prohibition on disciplinary action against employee for communicating with a member of the Legislature or legislative staff (Sec. 228).
2. **Center for Educational Performance and Information (CEPI).** Governor, Senate, and House modified several sections based on CEPI assuming responsibility for the Community College Activities Classification Structure (ACS). (Secs. 203, 206, 217, 222, 225, and 226).
3. **Deleted Provisions.** Governor, Senate, and House eliminated the section that created the Performance Indicators Review Task Force. (Sec. 230a)

Conference Agreement on Items of Difference

4. **Transparency.** Governor and House eliminated reporting of cost estimate for Affordable Health Care Act and provision authorizing State Budget Director to determine compliance with transparency requirements and the Budget Director's authority to withhold funds for noncompliance. Senate maintained current-year provisions. Conference concurred with Senate. (Sec. 209)
5. **Block Transfers.** Governor, Senate, and House replaced implementation language regarding the Michigan Transfer Agreement (Block Transfers/30 credits) with language requiring the Michigan Community College Association and the Michigan Association of State Universities to submit a progress report on implementation by March 1, 2017, that specifically includes a summary of implementation issues faced by the institutions and strategies being considered to remedy those issues, and an update on progress made on outstanding issues identified in the March 1, 2016, report. Senate and House added reporting requirement regarding improvements to articulation and credit transfer policies among and between all sectors of postsecondary education pursuant to requirements included in former section 210c (Block Transfers/60 credits). There are wording differences in how sections were amended between the Senate and House. Conference concurred with Senate. (Sec. 210b)
6. **Academic Program Partnerships.** Senate added new language added that requires the Michigan Community College Association, the Michigan Association of State Universities, and the Michigan Independent Colleges and Universities, on behalf of their member colleges and universities, to submit a comprehensive report detailing the number of academic program partnerships between public community colleges, public universities, and private colleges and universities. Conference concurred with the Senate. (Sec. 210e)
7. **Cost Containment/Efficiencies.** States legislative intent to encourage community college districts to evaluate and pursue efficiency and cost-containment measures that maximize State funding. Governor removed this section. Senate and House restored. Senate replaced legislative intent statement with general encouragement statement. Conference concurred with Senate. (Sec. 212)
8. **Indian Tuition Waivers.** Requires community colleges to report to the Workforce Development Agency (WDA) the number of North American Indian students enrolled, waivers granted, and the monetary value of the waivers. House changed reporting date from November 1 to February 15 and transferred the responsibility for the report from the WDA to the Department of Civil Rights. House required more specific information including waiver applications received, the number of students that withdrew, degree and certificate completions, and graduation data listed by level of certificate/degree. Conference concurred with House. (Sec. 223)
9. **Performance Indicators Task Force.** Delineates formula. Senate and House included formula as recommended by the 2016 Performance Indicators Review Task Force. Minor wording differences between Senate and House. Conference concurred with House. (Sec. 230)

Date Completed: 6-6-16

Fiscal Analyst: Bill Bowerman

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

Table 1: FY 2016-17 Community College Appropriation

College	FY 2015-16 Year-To-Date	FY 2016-17 Governor's Recommendation			FY 2016-17 Senate			FY 2016-17 House			FY 2016-17 Conference		
		Adjustments	Appropriation	Percent Change	Adjustments	Appropriation	Percent Change	Adjustments	Appropriation	Percent Change	Adjustments	Appropriation	Percent Change
Alpena	\$5,464,400	\$162,700	\$5,627,100	3.0%	136,800	\$5,601,200	2.5%	\$193,200	\$5,657,600	3.5%	\$80,300	\$5,544,700	1.5%
Bay de Noc	5,490,200	100,900	5,591,100	1.8%	120,500	5,610,700	2.2%	170,100	5,660,300	3.1%	70,700	5,560,900	1.3%
Delta	14,704,000	348,400	15,052,400	2.4%	347,200	15,051,200	2.4%	490,300	15,194,300	3.3%	203,700	14,907,700	1.4%
Glen Oaks	2,551,100	45,600	2,596,700	1.8%	61,100	2,612,200	2.4%	86,300	2,637,400	3.4%	35,800	2,586,900	1.4%
Gogebic	4,509,900	117,000	4,626,900	2.6%	115,700	4,625,600	2.6%	163,400	4,673,300	3.6%	67,900	4,577,800	1.5%
Grand Rapids	18,187,300	444,400	18,631,700	2.4%	448,700	18,636,000	2.5%	633,600	18,820,900	3.5%	263,200	18,450,500	1.4%
Henry Ford	21,893,300	454,200	22,347,500	2.1%	481,900	22,375,200	2.2%	680,500	22,573,800	3.1%	282,700	22,176,000	1.3%
Jackson	12,245,300	259,100	12,504,400	2.1%	259,600	12,504,900	2.1%	366,500	12,611,800	3.0%	152,300	12,397,600	1.2%
Kalamazoo Valley	12,689,400	326,300	13,015,700	2.6%	314,500	13,003,900	2.5%	444,100	13,133,500	3.5%	184,500	12,873,900	1.5%
Kellogg	9,950,100	209,700	10,159,800	2.1%	234,200	10,184,300	2.4%	330,700	10,280,800	3.3%	137,400	10,087,500	1.4%
Kirtland	3,221,500	81,800	3,303,300	2.5%	82,600	3,304,100	2.6%	116,600	3,338,100	3.6%	48,500	3,270,000	1.5%
Lake Michigan	5,417,700	147,900	5,565,600	2.7%	127,900	5,545,600	2.4%	180,600	5,598,300	3.3%	75,100	5,492,800	1.4%
Lansing	31,288,200	627,100	31,915,300	2.0%	663,400	31,951,600	2.1%	936,800	32,225,000	3.0%	389,100	31,677,300	1.2%
Macomb	33,239,500	660,700	33,900,200	2.0%	754,100	33,993,600	2.3%	1,064,800	34,304,300	3.2%	442,300	33,681,800	1.3%
Mid Michigan	4,757,700	159,600	4,917,300	3.4%	130,100	4,887,800	2.7%	183,800	4,941,500	3.9%	76,400	4,834,100	1.6%
Monroe	4,565,600	113,500	4,679,100	2.5%	121,100	4,686,700	2.7%	171,100	4,736,700	3.7%	71,100	4,636,700	1.6%
Montcalm	3,280,600	123,400	3,404,000	3.8%	106,500	3,387,100	3.2%	150,400	3,431,000	4.6%	62,500	3,343,100	1.9%
Mott	15,901,700	376,700	16,278,400	2.4%	364,500	16,266,200	2.3%	514,700	16,416,400	3.2%	213,800	16,115,500	1.3%
Muskegon	9,020,700	248,000	9,268,700	2.7%	221,300	9,242,000	2.5%	312,600	9,333,300	3.5%	129,900	9,150,600	1.4%
North Central	3,224,800	120,300	3,345,100	3.7%	111,800	3,336,600	3.5%	157,800	3,382,600	4.9%	65,600	3,290,400	2.0%
Northwestern	9,200,500	209,500	9,410,000	2.3%	200,300	9,400,800	2.2%	282,800	9,483,300	3.1%	117,500	9,318,000	1.3%
Oakland	21,429,400	548,800	21,978,200	2.6%	582,200	22,011,600	2.7%	822,100	22,251,500	3.8%	341,500	21,770,900	1.6%
Schoolcraft	12,706,400	351,400	13,057,800	2.8%	345,900	13,052,300	2.7%	488,400	13,194,800	3.8%	202,900	12,909,300	1.6%
Southwestern	6,657,600	116,000	6,773,600	1.7%	127,600	6,785,200	1.9%	180,200	6,837,800	2.7%	74,900	6,732,500	1.1%
St. Clair	7,158,000	179,100	7,337,100	2.5%	172,600	7,330,600	2.4%	243,800	7,401,800	3.4%	101,300	7,259,300	1.4%
Washtenaw	13,301,100	423,600	13,724,700	3.2%	397,000	13,698,100	3.0%	560,600	13,861,700	4.2%	232,900	13,534,000	1.8%
Wayne County	16,989,800	463,000	17,452,800	2.7%	416,600	17,406,400	2.5%	588,300	17,578,100	3.5%	244,400	17,234,200	1.4%
West Shore	2,446,200	81,300	2,527,500	3.3%	54,300	2,500,500	2.2%	76,600	2,522,800	3.1%	31,800	2,478,000	1.3%
Subtotal Operations:	\$311,492,000	\$7,500,000	\$318,992,000	2.4%	\$7,500,000	\$318,992,000	2.4%	\$10,590,700	\$322,082,700	3.4%	\$4,400,000	\$315,892,000	1.4%
MPERS Retiree Health Care	1,733,600	0	1,733,600	0.0%	0	1,733,600	0.0%	0	1,733,600	0.0%	0	1,733,600	0.0%
MPERS Reform Costs	69,500,000	3,700,000	73,200,000	5.3%	3,700,000	73,200,000	5.3%	3,700,000	73,200,000	5.3%	3,700,000	73,200,000	5.3%
Renaissance Zone Reimbursements	5,100,000	0	5,100,000	0.0%	0	5,100,000	0.0%	0	5,100,000	0.0%	0	5,100,000	0.0%
Total Appropriations:	\$387,825,600	\$11,200,000	\$399,025,600	2.9%	\$11,200,000	\$399,025,600	2.9%	\$14,290,700	\$402,116,300	3.7%	\$8,100,000	\$395,925,600	2.1%
State School Aid Fund	256,714,800	3,700,000	260,414,800	1.4%	3,700,000	260,414,800	1.4%	\$3,700,000	260,414,800	1.4%	3,700,000	260,414,800	1.4%
GF/GP	\$131,110,800	\$7,500,000	\$138,610,800	5.7%	\$7,500,000	\$138,610,800	5.7%	\$10,590,700	\$141,701,500	8.1%	\$4,400,000	\$135,510,800	3.4%

Table 2: FY 2016-17 Community College Appropriations: Conference Report

College	FY 2015-16 Enacted	FY 2015-16 Year-To-Date	FY 2016-17 Adjustments											FY 2016-17 Appropriation	Percent Change
			30.0% Sustainability*	10.0% Performance Improvement	10.0% Performance Completion #	10.0% Performance Completion Rate	30.0% Contact Hours	5.0% Administrative Costs	5.0% Local Strategic Value	Total Formula Distribution	Non-Formula Adjustments*	Total Adjustments			
Alpena	\$5,464,400	\$5,464,400	23,156	23,971	4,860	6,175	11,415	6,820	3,859	\$80,300		\$80,300	\$5,544,700	1.5%	
Bay de Noc	5,490,200	5,490,200	23,266	6,204	6,029	12,231	13,909	5,153	3,878	70,700		70,700	5,560,900	1.3%	
Delta	14,704,000	14,704,000	62,311	16,678	29,868	16,616	58,152	9,689	10,385	203,700		203,700	14,907,700	1.4%	
Glen Oaks	2,551,100	2,551,100	10,811	2,883	3,747	8,949	7,442	202	1,802	35,800		35,800	2,586,900	1.4%	
Gogebic	4,509,900	4,509,900	19,111	15,019	3,230	13,106	8,692	5,556	3,185	67,900		67,900	4,577,800	1.5%	
Grand Rapids	18,187,300	18,187,300	77,072	25,309	22,562	20,552	94,895	9,989	12,845	263,200		263,200	18,450,500	1.4%	
Henry Ford	21,893,300	21,893,300	92,777	26,411	20,516	30,819	86,365	10,351	15,463	282,700		282,700	22,176,000	1.3%	
Jackson	12,245,300	12,245,300	51,892	14,742	13,731	20,138	34,843	8,293	8,649	152,300		152,300	12,397,600	1.2%	
Kalamazoo Valley	12,689,400	12,689,400	53,773	14,340	17,815	20,454	58,272	10,887	8,962	184,500		184,500	12,873,900	1.5%	
Kellogg	9,950,100	9,950,100	42,165	11,244	12,837	17,090	36,647	10,398	7,028	137,400		137,400	10,087,500	1.4%	
Kirtland	3,221,500	3,221,500	13,652	3,640	4,798	3,640	12,640	7,814	2,275	48,500		48,500	3,270,000	1.5%	
Lake Michigan	5,417,700	5,417,700	22,958	6,304	5,660	6,122	24,303	5,879	3,826	75,100		75,100	5,492,800	1.4%	
Lansing	31,288,200	31,288,200	132,589	35,357	41,122	41,281	106,144	10,612	22,098	389,100		389,100	31,677,300	1.2%	
Macomb	33,239,500	33,239,500	140,858	37,562	43,227	43,449	142,984	10,805	23,476	442,300		442,300	33,681,800	1.3%	
Mid Michigan	4,757,700	4,757,700	20,162	6,757	9,650	5,376	24,825	6,220	3,360	76,400		76,400	4,834,100	1.6%	
Monroe	4,565,600	4,565,600	19,348	5,159	6,718	5,159	21,675	9,787	3,225	71,100		71,100	4,636,700	1.6%	
Montcalm	3,280,600	3,280,600	13,902	13,469	4,363	10,026	10,809	7,612	2,317	62,500		62,500	3,343,100	1.9%	
Mott	15,901,700	15,901,700	67,386	21,448	21,735	17,970	64,770	9,309	11,231	213,800		213,800	16,115,500	1.3%	
Muskegon	9,020,700	9,020,700	38,227	27,428	7,702	10,194	29,152	10,779	6,371	129,900		129,900	9,150,600	1.4%	
North Central	3,224,800	3,224,800	13,666	12,004	4,645	10,232	13,681	9,071	2,278	65,600		65,600	3,290,400	2.0%	
Northwestern	9,200,500	9,200,500	38,989	13,243	10,117	10,397	29,632	8,604	6,498	117,500		117,500	9,318,000	1.3%	
Oakland	21,429,400	21,429,400	90,811	24,216	35,093	24,216	145,013	7,045	15,135	341,500		341,500	21,770,900	1.6%	
Schoolcraft	12,706,400	12,706,400	53,846	15,218	23,832	20,777	70,798	9,467	8,974	202,900		202,900	12,909,300	1.6%	
Southwestern	6,657,600	6,657,600	28,213	7,523	5,249	7,523	17,962	3,714	4,702	74,900		74,900	6,732,500	1.1%	
St. Clair	7,158,000	7,158,000	30,333	8,462	8,427	14,678	27,373	6,945	5,056	101,300		101,300	7,259,300	1.4%	
Washtenaw	13,301,100	13,301,100	56,366	19,040	40,843	20,865	76,882	9,510	9,394	232,900		232,900	13,534,000	1.8%	
Wayne County	16,989,800	16,989,800	71,997	22,017	29,014	19,199	82,516	7,680	12,000	244,400		244,400	17,234,200	1.4%	
West Shore	2,446,200	2,446,200	10,366	4,350	2,611	2,764	8,211	1,808	1,728	31,800		31,800	2,478,000	1.3%	
Subtotal Operations:	\$311,492,000	\$311,492,000	\$1,320,003	\$439,998	\$440,001	\$439,998	\$1,320,002	\$219,999	\$220,000	\$4,400,000	\$0	\$4,400,000	\$315,892,000	1.4%	
MPERS Retiree Health Care	1,733,600	1,733,600									0	0	1,733,600	0.0%	
MPERS Reform Costs	69,500,000	69,500,000									3,700,000	3,700,000	73,200,000	5.3%	
Renaissance Zone Reimbursements	5,100,000	5,100,000									0	0	5,100,000	0.0%	
Total Appropriations:	\$387,825,600	\$387,825,600	\$1,320,003	\$439,998	\$440,001	\$439,998	\$1,320,002	\$219,999	\$220,000	\$4,400,000	\$3,700,000	\$8,100,000	\$395,925,600	2.1%	
State School Aid Fund	256,714,800	256,714,800									0	3,700,000	260,414,800	1.4%	
GF/GP	\$131,110,800	\$131,110,800	\$1,320,003	\$439,998	\$440,001	\$439,998	\$1,320,002	\$219,999	\$220,000	\$4,400,000	\$0	\$4,400,000	\$135,510,800	3.4%	



Senate Fiscal Agency
P.O. Box 30036
Lansing, Michigan 48909-7536



Telephone: (517) 373-2768
Fax: (517) 373-1986

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2015-16 YEAR-TO-DATE	FY 2016-17 CONFERENCE	CHANGES FROM FY 2015-16 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	N/A	N/A	0.0	0.0
GROSS	1,534,724,400	1,582,640,400	47,916,000	3.1
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS	1,534,724,400	1,582,640,400	47,916,000	3.1
Less:				
Federal Funds.....	97,026,400	101,526,400	4,500,000	4.6
Local and Private	0	0	0	0.0
TOTAL STATE SPENDING	1,437,698,000	1,481,114,000	43,416,000	3.0
Less:				
Other State Restricted Funds.....	205,279,500	237,209,500	31,930,000	15.6
GENERAL FUND/GENERAL PURPOSE	1,232,418,500	1,243,904,500	11,486,000	0.9
PAYMENTS TO LOCALS	0	0	0	0.0

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

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

Items Included by the Senate and House

- MPSERS Rate Cap.** Governor, Senate, and House included a \$730,000 (14.1%) School Aid Fund (SAF) increase, from \$5,160,000 to \$5,890,000. 730,000
- Tuition Incentive Program.** Governor, House, and Senate included a \$2.0 million Federal Temporary Assistance for Needy Families (TANF) increase. Based on updated projections and available Federal funds, Conference adjusted the increase to \$4.5 million. 4,500,000
- MSU AgBioResearch.** Governor, Senate, and House included 2.3% GF/GP increase, from \$32,508,300 to \$33,243,100, bringing funding back to FY 2010-11 levels. 734,800
- MSU Extension.** Governor, Senate, and House included 2.4% GF/GP increase, from \$27,994,800 to \$28,672,600, bring funding back to FY 2010-11 levels. 677,800

Conference Agreement on Items of Difference

- University Operations.** Governor and Senate included a \$59.8 million (4.4%) increase. House included a \$46.3 million (3.4%) increase. Senate eliminated the across-the-board allocation for Eastern (EMU) and Oakland (OU) and redistributed those funds to four universities that are below FY 2010-11 funding levels. House added a new metric for the Carnegie portion of the formula based on whether a university received a 2010 or 2015 Community Engagement classification. Conference included a \$39.8 million (2.9%) increase. Conference distribution based on the Governor's proposed funding model and did not include the new metric proposed by the House. However, Conference did reduce EMU and OU funding by \$400,000 each, and redistributed the \$800,000 equally to MSU, U of M-Ann Arbor, Wayne, and Western. Governor, Senate, and House all included funding \$31.2 million of the increase from the SAF. Tables 1 and 2 provide details on allocations by university. 39,787,400

6. Tuition Grants. Governor did not increase funding. Senate included a \$748,800 (2.2%) TANF increase. House included a \$1,157,200 (3.4%) GF/GP increase. Conference included a \$986,000 (2.9%) GF/GP increase.	986,000
7. Competitive Scholarships. Governor and House did not increase funding for this program. Senate included a \$404,000 (2.2%) TANF increase. Conference did not include an increase.	0
8. Indian Tuition Waiver. House added a \$100 SAF placeholder for unfunded costs of the Indian Tuition Waiver Program (1976 PA 174). Conference did not include this item.	0
9. MSU Diagnostic Center for Population and Animal Health (DCPAH). Conference included a one-time \$500,000 GF/GP appropriation for MSU DCPAH.	500,000
10. FY 2016-17 One-Time Gross Appropriations. The Conference Report includes a \$500,000 one-time appropriation for MSU DCPAH described in item #9 above.	
Total Changes.....	\$47,916,000
FY 2016-17 Conference Report Ongoing/One-Time Gross Appropriation.....	\$1,582,640,400
Amount Over/(Under) GF/GP Target: \$0	

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

Items Included by the Senate and House

1. **Budget Transparency.** Governor eliminated State Budget Director's authority to determine compliance and withhold funds. Senate and House restored. (Sec. 245)
2. **Restored Provisions.** Senate and House restored the following sections that were eliminated by the Governor: intent regarding appropriations for the next fiscal year (Sec. 236a); provision stating that the acceptance and use of Federal or private funds do not place an obligation on the Legislature to continue the purposes for which the funds are made available (portion of Sec. 242); intent regarding protection/preservation of U of M Douglas Lake Biological Station (Sec. 261); discouraged instruction activity regarding unionization or decertification (Sec. 271a); human embryonic stem cell research report (Sec. 274); and prohibit use of funds for the construction or maintenance of a self-liquidating project, require compliance with Section 238 of 1984 PA 431 and Joint Capital Outlay Subcommittee use and finance requirements, and include penalty provisions (Sec. 275a).
3. **Deleted Provisions.** Governor, Senate, and House removed Federal Educational Rights & Privacy Act compliance (Sec. 293), and references to legislative intent in section 263.
4. **Purchase of Foreign Automobiles.** Legislative intent that funds not be used to lease or purchase vehicles assembled or manufactured outside of the U.S., and that preference be given to vehicles assembled or manufactured in Michigan. Governor removed. Senate and House included. Conference removed this section. (Sec. 239a)

Conference Agreement on Items of Difference

5. **Tuition Grant Program.** Governor changed application date to March 1, eliminated carryforward authorization, and reduced maximum grant to eligible students enrolled in the same institution from \$3.2 million to \$3.0 million. Senate and House did not concur with changes to the application date or carryforward. Senate increased maximum grant to eligible students enrolled in the same institution from \$3.2 million to \$3.3 million. House increased maximum grant to \$3.5 million. Conference set maximum at \$3.2 million. (Sec. 252)
6. **Tuition Incentive Program.** Governor added new subsection stating beginning in FY 2017-18, the Department of Treasury shall not award more than \$8.5 million annually to eligible students enrolled in the same college or university. House did not concur. Senate did not concur with Governor but added provision limiting expenditures to appropriations and authorizing Treasury to prorate Phase I grants. Conference included Governor's FY 2017-18 \$8.5 million limit. (Sec. 256)

7. **Tuition Restraint.** Governor set at 4.8%, clarified tuition and fee definition, and eliminated provision stating "fee" includes the annual amount a student is charged for coverage by the university-affiliated group health insurance policy. Senate and House did not concur with the elimination of mandated health insurance costs from fee definition. Senate set tuition restraint cap at 4.8%, added penalty for universities that exceed tuition and fee cap stating they will not receive capital outlay authorizations from the State in FY 2017-18 or FY 2018-19. House set tuition restraint cap at the greater of 4.8% or \$500. Conference set tuition restraint at 4.2%, maintained Senate capital outlay penalty, and included new language stating that Legislature may at any time adjust appropriations for universities that exceed the tuition restraint cap. (Sec. 265)
8. **Performance Funding Criteria.** Governor, Senate, and House included an across-the-board distribution along with last year's metrics. House added metric of whether university has received a Carnegie Community Engagement designation to distribution formula. Governor and House eliminated legislative intent statement that, beginning in the next fiscal year, a university classified as improving is assigned a score of 1. Senate maintained intent statement. Conference concurred with Senate. (Sec. 265a)
9. **Indian Tuition Waiver Program.** Governor eliminated legislative intent that funds be allocated for unfunded North American Indian tuition waiver costs incurred by public universities from the General Fund. Senate and House restored this provision. Senate and House clarified and revised reporting requirements. House added criteria for distributing North American Indian Tuition Waiver appropriation. Conference did not include additional funds for waiver costs and therefore did not include distribution criteria. (Sec. 268)
10. **Yellow Ribbon GI Education Enhancement Program.** States that "It is the intent of the Legislature" that each public university meet the provisions of section 5003 of the Post-911 Veterans Educational Assistance Act of 2008, including voluntary participation in the yellow ribbon GI education enhancement program. Requires annual report. Governor removed report and legislative intent reference. Senate and House restored report, but Senate did not include legislative intent reference. Conference included report and intent reference. (Sec. 275(1)(a))
11. **Academic Program Partnerships.** Senate added language that requires the Michigan Community College Association, the Michigan Association of State Universities, and the Michigan Independent Colleges and Universities, on behalf of their member colleges and universities, to submit a comprehensive report detailing the number of academic program partnerships between public community colleges, public universities, and private colleges and universities. Conference included this new section. (Sec. 286a)

FY 2015-16 Supplemental

12. **Tuition Incentive Program.** Conference included a \$4.5 million TANF FY 2015-16 supplemental appropriation for the Tuition Incentive Program based on updated projections as requested in the State Budget Office Supplemental Request Letter 2016-5, dated 5-6-16. (Sec. 236d)

Date Completed: 6-6-16

Fiscal Analyst: Bill Bowerman

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

Table 1: FY 2016-17 Higher Education Appropriation

University	FY 2015-16 Year-To-Date	Governor			Senate			House			Conference		
		FY 2016-17 Gov. Rec.	Dollar Change	Percent Change	FY 2016-17 Senate	Dollar Change	Percent Change	FY 2016-17 House	Dollar Change	Percent Change	FY 2016-17 Conference	Dollar Change	Percent Change
Central	\$81,127,100	\$85,332,200	\$4,205,100	5.2%	\$85,332,200	\$4,205,100	5.2%	\$84,085,100	\$2,958,000	3.6%	\$83,925,500	\$2,798,400	3.4%
Eastern	71,782,500	75,105,400	3,322,900	4.6%	73,505,300	1,722,800	2.4%	74,538,400	2,755,900	3.8%	73,593,800	1,811,300	2.5%
Ferris	50,369,800	53,210,000	2,840,200	5.6%	53,210,000	2,840,200	5.6%	52,389,400	2,019,600	4.0%	52,259,900	1,890,100	3.8%
Grand Valley	65,275,700	69,712,000	4,436,300	6.8%	69,712,000	4,436,300	6.8%	68,346,200	3,070,500	4.7%	68,227,900	2,952,200	4.5%
Lake Superior	13,207,400	13,748,400	541,000	4.1%	13,748,400	541,000	4.1%	13,598,800	391,400	3.0%	13,567,400	360,000	2.7%
Michigan State	268,770,700	279,126,200	10,355,500	3.9%	279,793,300	11,022,600	4.1%	277,370,600	8,599,900	3.2%	275,862,100	7,091,400	2.6%
Michigan Tech	46,754,700	48,772,500	2,017,800	4.3%	48,772,500	2,017,800	4.3%	48,246,000	1,491,300	3.2%	48,097,500	1,342,800	2.9%
Northern	45,107,700	46,868,000	1,760,300	3.9%	46,868,000	1,760,300	3.9%	46,574,100	1,466,400	3.3%	46,279,200	1,171,500	2.6%
Oakland	48,371,900	51,300,200	2,928,300	6.1%	50,231,900	1,860,000	3.8%	50,446,400	2,074,500	4.3%	49,920,700	1,548,800	3.2%
Saginaw Valley	28,181,200	29,582,900	1,401,700	5.0%	29,582,900	1,401,700	5.0%	29,377,900	1,196,700	4.2%	29,114,000	932,800	3.3%
UM-Ann Arbor	299,975,000	312,693,500	12,718,500	4.2%	313,360,600	13,385,600	4.5%	309,400,900	9,425,900	3.1%	308,639,000	8,664,000	2.9%
UM-Dearborn	24,033,100	25,190,500	1,157,400	4.8%	25,190,500	1,157,400	4.8%	25,010,500	977,400	4.1%	24,803,300	770,200	3.2%
UM-Flint	21,815,400	22,918,300	1,102,900	5.1%	22,918,300	1,102,900	5.1%	22,746,300	930,900	4.3%	22,549,300	733,900	3.4%
Wayne State	191,451,300	198,082,800	6,631,500	3.5%	198,749,900	7,298,600	3.8%	196,763,900	5,312,600	2.8%	196,064,500	4,613,200	2.4%
Western	104,334,100	108,702,100	4,368,000	4.2%	109,369,200	5,035,100	4.8%	107,922,100	3,588,000	3.4%	107,440,900	3,106,800	3.0%
Subtotal University Operations:	\$1,360,557,600	\$1,420,345,000	\$59,787,400	4.4%	\$1,420,345,000	\$59,787,400	4.4%	\$1,406,816,600	\$46,259,000	3.4%	\$1,400,345,000	\$39,787,400	2.9%
MPSERS Reimbursement	\$5,160,000	\$5,890,000	\$730,000	14.1%	\$5,890,000	\$730,000	14.1%	\$5,890,000	\$730,000	14.1%	\$5,890,000	\$730,000	14.1%
MSU AgBioResearch	32,508,300	33,243,100	734,800	2.3%	33,243,100	734,800	2.3%	33,243,100	734,800	2.3%	33,243,100	734,800	2.3%
MSU Extension	27,994,800	28,672,600	677,800	2.4%	28,672,600	677,800	2.4%	28,672,600	677,800	2.4%	28,672,600	677,800	2.4%
Higher Education Database	200,000	200,000	0	0.0%	200,000	0	0.0%	200,000	0	0.0%	200,000	0	0.0%
Midwest Higher Ed Compact	115,000	115,000	0	0.0%	115,000	0	0.0%	115,000	0	0.0%	115,000	0	0.0%
King-Chavez-Parks	2,691,500	2,691,500	0	0.0%	2,691,500	0	0.0%	2,691,500	0	0.0%	2,691,500	0	0.0%
MSU Veterinary Lab (one-time)	0	0	0	0.0%	0	0	0.0%	0	0	0.0%	500,000	500,000	---
Total Universities	\$1,429,227,200	\$1,491,157,200	\$61,930,000	4.3%	\$1,491,157,200	\$61,930,000	4.3%	\$1,477,628,800	\$48,401,600	3.4%	\$1,471,657,200	\$42,430,000	3.0%
School Aid Fund	205,179,500	237,109,500	\$31,930,000	15.6%	237,109,500	\$31,930,000	15.6%	237,109,500	\$31,930,000	15.6%	237,109,500	\$31,930,000	15.6%
State GF/GP	\$1,224,047,700	\$1,254,047,700	\$30,000,000	2.5%	\$1,254,047,700	\$30,000,000	2.5%	\$1,240,519,300	16,471,600	1.3%	1,234,547,700	10,500,000	0.9%
Grants and Financial Aid													
State Competitive Scholarships	\$18,361,700	\$18,361,700	\$0	0.0%	\$18,765,700	\$404,000	2.2%	\$18,361,700	\$0	0.0%	\$18,361,700	\$0	0.0%
Tuition Grants	34,035,500	34,035,500	0	0.0%	34,784,300	748,800	2.2%	35,192,700	1,157,200	3.4%	35,021,500	986,000	2.9%
Tuition Incentive Program (TIP)	48,500,000	50,500,000	2,000,000	4.1%	50,500,000	2,000,000	4.1%	50,500,000	2,000,000	4.1%	53,000,000	4,500,000	9.3%
Children of Veterans & Officer's Tuition	1,400,000	1,400,000	0	0.0%	1,400,000	0	0.0%	1,400,000	0	0.0%	1,400,000	0	0.0%
Project Gear-Up	3,200,000	3,200,000	0	0.0%	3,200,000	0	0.0%	3,200,000	0	0.0%	3,200,000	0	0.0%
North American Indian Tuition Waivers	0	0	0	0.0%	0	0	0.0%	100	100	---	0	0	0.0%
Total Grants/Financial Aid	\$105,497,200	\$107,497,200	\$2,000,000	1.9%	\$108,650,000	3,152,800	3.0%	\$108,654,500	\$3,157,300	3.0%	\$110,983,200	\$5,486,000	5.2%
Federal Higher Ed Act	3,200,000	3,200,000	0	0.0%	3,200,000	0	0.0%	3,200,000	0	0.0%	3,200,000	0	0.0%
Federal TANF	93,826,400	95,826,400	2,000,000	2.1%	96,979,200	3,152,800	3.4%	95,826,400	2,000,000	2.1%	98,326,400	4,500,000	4.8%
School Aid Fund	0	0	0	0.0%	0	0	0.0%	100	100	---	0	0	0.0%
Veterans Tax Check-off	100,000	100,000	0	0.0%	100,000	0	0.0%	100,000	0	0.0%	100,000	0	0.0%
State GF/GP	\$8,370,800	\$8,370,800	\$0	0.0%	\$8,370,800	0	0.0%	\$9,528,000	1,157,200	13.8%	\$9,356,800	986,000	11.8%
TOTAL HIGHER EDUCATION													
TOTAL ALL FUNDS	\$1,534,724,400	\$1,598,654,400	\$63,930,000	4.2%	\$1,599,807,200	\$65,082,800	4.2%	\$1,586,283,300	\$51,558,900	3.4%	\$1,582,640,400	\$47,916,000	3.1%
TOTAL FEDERAL	97,026,400	99,026,400	2,000,000	2.1%	100,179,200	3,152,800	3.2%	99,026,400	2,000,000	2.1%	101,526,400	4,500,000	4.6%
TOTAL STATE RESTRICTED	205,279,500	237,209,500	\$31,930,000	15.6%	237,209,500	\$31,930,000	15.6%	237,209,600	\$31,930,100	15.6%	237,209,500	\$31,930,000	15.6%
TOTAL STATE GF/GP	\$1,232,418,500	\$1,262,418,500	\$30,000,000	2.4%	\$1,262,418,500	\$30,000,000	2.4%	\$1,250,047,300	\$17,628,800	1.4%	\$1,243,904,500	\$11,486,000	0.9%

Table 2: 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:		11.1%		5.6%		33.3%												
	Funding per unit:		\$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	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%
TOTAL:	\$1,360,557,600	\$1,420,344,900	\$19,893,700	16,193	\$4,420,822	\$1,260,301,952	\$2,210,411	28	38	21	20	107	208,561	1,504,563	\$13,262,467	\$0	\$39,787,400	\$1,400,345,000	2.9%

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

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

^ 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