

**Summary: Executive Budget Recommendation  
for Fiscal Year 2018-19  
SCHOOL AID**



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	FY 2017-18 Year-to-Date as of 2/8/18	FY 2018-19 Executive	Difference: FY 2018-19 Vs. FY 2017-18	
			Amount	%
IDG/IDT	\$0	\$0	\$0	—
Federal	1,726,943,500	1,724,743,500	(2,200,000)	(0.1)
Local	0	0	0	—
Private	0	0	0	—
Restricted	12,642,370,400	12,866,225,300	223,854,900	1.8
GF/GP	215,000,000	45,000,000	(170,000,000)	(79.1)
<b>Gross</b>	<b>14,584,313,900</b>	<b>14,635,968,800</b>	<b>51,654,900</b>	<b>0.4</b>

Notes: (1) FY 2017-18 year-to-date figures include mid-year budget adjustments through February 8, 2018. (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 539 local school districts, 294 public school academies, and 56 intermediate school districts (ISDs) for operations and certain categorical programs. It also appropriates funds to the Michigan Department of Education (MDE), Center for Educational Performance and Information (CEPI), the Workforce Development Agency, and other entities to implement certain grants and other programs related to K-12 education.

<b>Major Budget Changes From FY 2017-18 Year-to-Date (YTD) Appropriations</b>		<b>FY 2017-18 YTD (as of 2/8/18)</b>	<b>Executive Change from YTD</b>
<b>1. Foundation Allowances (Secs. 22a and 22b)</b>			
Increases by \$312.0 million to provide increases ranging from \$120 to \$240 per pupil using the 2x formula. The minimum foundation allowance would increase from \$7,631 to \$7,871 (3.1%), and the state maximum guaranteed foundation allowance would increase from \$8,289 to \$8,409 (1.4%).	<b>Gross</b>	<b>\$9,219,300,000</b>	<b>\$312,000,000</b>
	Restricted	9,073,560,500	447,611,700
	GF/GP	\$145,739,500	(\$135,611,700)
<b>2. Shared-Time Instruction for Nonpublic Pupils (Sec. 23f) – NEW</b>			
Revises state support of shared-time instruction for nonpublic pupils from a per-pupil foundation allowance to a categorical program. Caps the number of pupils for whom a district is eligible for reimbursement at 5% of the district's per pupil membership and limits participation to pupils in grades 1 to 12, excluding kindergarten. Results in a reduction of \$68.0 million leaving an estimated cost of \$64.1 million. (See Major Boilerplate Changes below for related Sec. 166b revisions.)	<b>Gross</b>	<b>N/A</b>	<b>(\$68,000,000)</b>
	Restricted	N/A	(68,000,000)
	GF/GP	N/A	\$0
<b>3. Foundation Allowances – Cyber Schools Reduction (Secs. 22a and 22b)</b>			
Reduces cyber school foundation allowances to 75% of the minimum foundation allowance at an estimated savings of \$25.0 million. For FY 2018-19 the cyber foundation allowance would be \$5,903.	<b>Gross</b>	<b>N/A</b>	<b>(\$25,000,000)</b>
	Restricted	N/A	(25,000,000)
	GF/GP	N/A	\$0
<b>4. Career and Technical Education (CTE) Skilled Trades Initiative (Sec. 61c)</b>			
Eliminates \$12.5 million GF/GP including equipment grants for career education planning districts (CEPDs) (\$7.0 million), CTE equipment and innovation competitive grants (\$5.0 million), and mechatronics grants (\$500,000).	<b>Gross</b>	<b>\$12,500,000</b>	<b>(\$12,500,000)</b>
	Restricted	0	0
	GF/GP	\$12,500,000	(\$12,500,000)
<b>5. CTE Per Pupil Incentive Payment (Sec. 61d) – NEW</b>			
Provides \$5.0 million SAF to provide \$25 per pupil for pupils in grades 9 to 12 enrolled in CTE programs and an additional \$25 per pupil for those in CTE programs identified as "critical skills" programs. (See Major Boilerplate Changes below.)	<b>Gross</b>	<b>\$0</b>	<b>\$5,000,000</b>
	Restricted	0	5,000,000
	GF/GP	\$0	\$0
<b>6. Flint Declaration of Emergency (Sec. 11s)</b>			
Reduces by \$5.5 million to a total of \$3.2 million to continue to provide additional school nurses and school social workers in Flint Public Schools (\$2.3 million) and nutritional services to children in Flint (\$605,000).	<b>Gross</b>	<b>\$8,730,100</b>	<b>(\$5,500,000)</b>
	Restricted	0	0
	GF/GP	\$8,730,100	(\$5,500,000)

<u>Major Budget Changes From FY 2017-18 Year-to-Date (YTD) Appropriations</u>		<u>FY 2017-18 YTD (as of 2/8/18)</u>	<u>Executive Change from YTD</u>
<b>7. Partnership Models (Sec. 21h)</b>		<b>Gross \$6,000,000</b>	<b>\$2,000,000</b>
Increases by \$2.0 million SAF to a total of \$8.0 million to provide funding for interventions in districts identified as needing additional academic supports.	Restricted	6,000,000	2,000,000
	GF/GP	\$0	\$0
<b>8. At Risk Program (Sec. 31a)</b>		<b>Gross \$499,000,000</b>	<b>\$0</b>
Maintains funding of \$499.0 million SAF for at-risk pupil support programs but revises program requirements. (See <i>Major Boilerplate Changes</i> below.)	Restricted	499,000,000	0
	GF/GP	\$0	\$0
<b>9. Early Literacy Implementation (Sec. 35)</b>		<b>Gross \$1,000,000</b>	<b>(\$1,000,000)</b>
Reduces by \$1.0 million GF/GP to move to the MDE budget.	Restricted	0	0
	GF/GP	\$1,000,000	(\$1,000,000)
<b>10. Special Education (Secs. 51a, 51c, 51d, 53a, 54, and 56)</b>		<b>Gross \$1,387,746,100</b>	<b>\$23,100,000</b>
Updated to reflect revised consensus cost estimates for special education costs.	Federal	\$431,000,000	0
	Restricted	956,246,100	23,100,000
	GF/GP	\$500,000	\$0
<b>11. Special Ed Task Force: Mediation and Parental Supports (Sec. 54c) – NEW</b>		<b>Gross \$0</b>	<b>\$500,000</b>
Provides \$500,000 GP/GP total including \$205,000 to enhance the capacity of the Michigan Alliance for Families – Michigan's Parent Training Information Center and \$295,000 to improve mediation services offered through the Michigan Special Education Mediation Program.	Restricted	0	0
	GF/GP	\$0	\$500,000
<b>12. Special Ed Task Force: Early On (Sec. 54d) – NEW</b>		<b>Gross \$0</b>	<b>\$5,000,000</b>
Provides \$5.0 million SAF for competitive grants to ISDs to provide Early On services including early identification and interventions for children birth to 3 years old with developmental delays or disabilities and their families.	Restricted	0	5,000,000
	GF/GP	\$0	\$0
<b>13. FIRST Robotics (Sec. 99h)</b>		<b>Gross \$2,800,000</b>	<b>(\$300,000)</b>
Reduces \$300,000 GF/GP for nonpublic schools participation but maintains \$2.5 million for districts and expands to include ISDs.	Restricted	2,500,000	0
	GF/GP	\$300,000	(\$300,000)
<b>14. MiSTEM Centers Reorganization (Secs. 99r and 99s)</b>		<b>Gross \$12,784,300</b>	<b>(\$1,350,000)</b>
Reduces MiSTEM programming by \$1.4 million bringing it to a total of \$11.4 million. Continues the transition of funding 16 MiSTEM regions rather than 33 Math and Science Centers. Provides each MiSTEM region \$200,000 in base funding and distributes the remaining funds to regions on an equal per pupil basis based on prior year pupil counts. Also provides \$750,000 total to those MiSTEM network regions able to provide curriculum and professional development support to assist districts implementing the Michigan Merit curriculum components for math and science. Increases MiSTEM director, staff support, and MiSTEM council costs by a total of \$200,000. Recognizes a \$1.2 million reduction in available federal funding. Eliminates Van Andel Education Institute grant (\$150,000 GF/GP).	Federal	4,700,000	(1,200,000)
	Restricted	6,234,300	1,200,000
	GF/GP	\$1,850,000	(\$1,350,000)
<b>15. Education Assessments (Sec. 104)</b>		<b>Gross \$40,959,400</b>	<b>(\$3,700,000)</b>
Reduces Education Assessments by \$3.7 million SAF to a total of \$37.3 million. Reduces funding for the online student data reporting tool from \$3.2 million SAF to \$500,000 to move from development to maintenance. Removes \$1.0 million SAF for the Michigan kindergarten entry observation tool pilot.	Federal	6,250,000	(3,700,000)
	Restricted	34,709,400	0
	GF/GP	\$0	\$0
<b>16. MPSERS Payments (Secs. 147a, 147c, and 147e)</b>		<b>Gross \$1,332,853,000</b>	<b>(\$74,414,000)</b>
Decreases total state support for K-12 MPSERS costs by \$74.5 million to a total of \$1.3 billion with the following changes:	Restricted	1,332,170,000	(74,479,000)
	GF/GP	\$683,000	\$65,000
<ul style="list-style-type: none"> <li>Eliminates a one-time \$200.0 million additional deposit to accelerate the payoff of the 2010 early retirement incentive. (Sec. 147c(2))</li> <li>Increases state share of UAAL payments by \$71.9 million. (Sec. 147c(1))</li> <li>Increases state support of higher employer normal costs resulting from the 2nd year of phasing in a reduced assumed rate of return from 8.0% to 7.5% by \$39.2 million. (Sec. 147a(2))</li> <li>Increases state support of higher defined contribution and hybrid plan costs required under PA 92 of 201 by \$14.5 million. (Sec. 147e)</li> </ul>			

<u>Major Budget Changes From FY 2017-18 Year-to-Date (YTD) Appropriations</u>	<u>FY 2017-18 YTD (as of 2/8/18)</u>	<u>Executive Change from YTD</u>
<b>17. Eliminated Categorical Grants</b>	<b>Gross</b>	<b>\$23,429,000</b>
Reduces by \$23.4 million by eliminating the following:	Restricted	(8,985,000)
<ul style="list-style-type: none"> <li>• Sec. 21j – Competency-Based Education Grants (\$500,000)</li> <li>• Sec. 31b – Year-round Instruction Grants (\$1.5 million)</li> <li>• Sec. 31j – Local Produce in School Meals (\$375,000)</li> <li>• Sec. 32q – Early Learning Cooperative (\$175,000)</li> <li>• Sec. 35a(6) – Early Literacy – Michigan Education Corps (\$2.5 million)</li> <li>• Sec. 55 – Conductive Learning Study (\$150,000)</li> <li>• Sec. 61a(4) – CTE Restaurant Curriculum (79,000)</li> <li>• Sec. 61a(5) &amp; (6) – CTE Counselors (1,160,000)</li> <li>• Sec. 64d – Information Technology Certifications (\$2.3 million)</li> <li>• Sec. 65 – Detroit Area PreCollege Engineering Program (\$340,000)</li> <li>• Sec. 67a – Online Career Preparation Tool (\$1.0 million)</li> <li>• Sec. 95b – Statewide Evaluation Tool (\$2.5 million)</li> <li>• Sec. 99k – Cyber Security Competitions (\$500,000)</li> <li>• Sec. 99t – Online Algebra Tool (\$1.1 million)</li> <li>• Sec. 99u – Online Mathematics Tool (\$1.0 million)</li> <li>• Sec. 102d – Financial Data Analysis Tools (\$1.5 million)</li> <li>• Sec. 104d – Computer Adaptive Tests (\$4.0 million)</li> <li>• Sec. 104e – Digital Learning Preparation (\$250,000)</li> <li>• Sec. 152b – Nonpublic School Reimbursement (\$2.5 million)</li> </ul>	GF/GP	(\$14,444,000)
<b>18. Other Major Cost Adjustments</b>	<b>Gross</b>	<b>N/A</b>
Revises the following to reflect updated cost estimates:	Restricted	17,648,900
<ul style="list-style-type: none"> <li>• Sec. 11m – Increases Cash Flow Borrowing by \$17.5 million to \$24.0 million.</li> <li>• Sec. 26a – Decreases Renaissance Zone Reimbursements by \$2.0 million to \$15.0 million.</li> <li>• Sec. 26c – Increases Promise Zone Funding by \$1.5 million to \$3.0 million.</li> <li>• Sec. 31d – Increases School Lunch state costs by \$648,900 to \$23.1 million.</li> </ul>	GF/GP	\$0

**Major Boilerplate Changes From FY 2017-18**

**Sec. 15. State Aid Allocation Adjustments – REVISED**

Reduces maximum allowable repayment period for district state aid payment deductions resulting from an audit from 9 years to 4 and eliminates option for state Superintendent to waive repayment under certain circumstances, reversing changes made in FY 2017-18.

**Sec. 18(12). Virtual Course Cost Report – REVISED**

Currently requires that districts report cost information for virtual courses provided through Section 21f. Expands to include cyber schools, whose courses are not offered through Sec. 21f.

**Sec. 19. State and Federal Reporting Requirements – REVISED**

In addition to the graduation report information, requires that districts submit data necessary for state and federal accountability reports, both in November and June. Revises June 30 to the last business day in June. Revises required district appeal process for accountability designations to require MDE to utilize data that was certified as accurate and complete after districts and ISDs have adhered to deadlines, data quality reviews, and correction processes leading to local certification of final student data. Changes to allow districts and ISDs to appeal "any calculation errors used in the preparation of accountability metrics" rather than a designation.

## **Major Boilerplate Changes From FY 2017-18**

### **Sec. 23f. Shared-Time Pupil Payments – REVISED**

In addition to capping pupils at 5% of a district's membership and eliminating kindergarten, requires the following to receive funding:

(a) That a district ensure that all individuals that have student contact as part of a course offered under Sec. 166b have not been convicted of sexual misconduct and receive the same criminal history and criminal records checks as employees of the district as required by state statute.

(b) That a district ensure that if a course offered under Sec. 166b has an associated optional experience, it must be offered on a schedule to make it fully available to the majority of pupils in the district in the same grade level or age groups as the pupils participating in the course under Sec. 166b.

(c) That the district provide MDE information necessary to quantify the following:

- (i) A complete listing of all courses in which students reported for membership in the district have been served.
- (ii) Course enrollments by each participant using local coding and the school codes for the exchange of data (SCED).
- (iii) Identification of the course teacher or mentor.
- (iv) Outcomes for each student in each course.

### **Sec. 31a. At Risk Program – REVISED**

Expands to add an additional purpose for the program: that districts implement with fidelity a multi-tiered system of supports (MTSS). Condenses MTSS components to the following: (a) Team-based leadership; (b) Tiered delivery system; (c) Selection and implementation of instruction, interventions, and supports; (d) Comprehensive screening and assessment system; and (e) Continuous data-based decision making.

Expands to require that districts comply with MCL 380.1280f and use resources to address early literacy for grades K-12 instead of K-3. Adds focus on numeracy for K-12. Requires a district to implement MTSS in grades K-8 instead of 4-8.

Requires that for English learners, a district implement culturally and linguistically responsive teaching strategies focused on academic language development aligned with state English language arts (ELA) proficiency standards.

Revises consequences beginning in FY 2018-19 for districts that are below the statewide average based on the number of economically disadvantaged pupils proficient in either ELA by the end of 3rd grade or math by the end of 8th grade or career and college ready by the end of 11th grade based on statewide assessments given in FY 2017-18. Requires those districts to meet either the statewide average by FY 2020-21 or see an improvement of at least 10 percentage points in the number of economically disadvantaged pupils who are proficient by FY 2020-21. For a district that fails to meet those goals by FY 2020-21, requires it to conduct an evaluation in coordination with MDE and other stakeholders, adopt a school improvement plan based on recommendations from that evaluation, and spend At Risk funds only in accordance with that plan.

Increases amount that may be used on professional development to 5% and expands to include implementing a coaching model that supports the MTSS framework.

For a district that may use funds for schoolwide reform, increases share of pupil membership that must be economically disadvantaged from 40% to at least 50%. Requires that the schoolwide reforms also be tier 1 evidence-based high quality academic, behavioral, and social-emotional instruction, and part of a district's MTSS framework. Schoolwide reforms must be guided by district's comprehensive needs assessment and must feature parent and community supports, activities, and services, which may include Pathways to Potential or Communities in Schools programs.

### **Sec. 35a. Early Literacy – REVISED**

Requires the State Superintendent to designate people employed or contracted with funds from this section as critical shortage for the purposes of allowing retirees to work without reducing their pensions under the Public School Employees Retirement Act, MCL 38.1361. However, the critical shortage subsection is currently set to expire on July 1, 2018.

### **Sec. 61d. Per Pupil Incentive Payment – NEW**

Defines a CTE program that qualifies for the additional \$25 payments for critical skills programs as one classified under any of the following CIP codes:

- (i) 01 – Agriculture
- (ii) 03 – Natural Resources and Conservation
- (iii) 10 through 11 – Communications Technologies and Support Services and Computer and Information Sciences and Support Services
- (iv) 14 through 15 – Engineering and Engineering technologies and related fields
- (v) 26 – Biological and Biomedical Sciences
- (vi) 46 through 48 – Construction Trades, Mechanic and Repair Technologies, and Precision Production
- (vii) 51 – Health Professions and related programs.

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

Moves state assessment for science from grades 4 and 7 to 5 and 8. Deletes requirement that MDE approve at least 3 benchmark assessments for district use. Requires MDE to provide guidance to districts on optionally adopting and implementing department-approved benchmark assessments for grades 3 to 7 in ELA and math and to recommend that districts commit to using the same benchmark assessment for no less than 3 years without switching to another benchmark assessment.

**Major Boilerplate Changes From FY 2017-18**

**Sec. 164g. Legal Action Against the State – DELETED**

Establishes a penalty in an amount equal to the amount spent if a district or ISD uses state funding to pay for an expense relating to any legal action initiated by the district or ISD against the state.

**Sec. 164h. Title – DELETED**

Establishes a penalty in an amount equal to 5% of a district or ISD's total state aid if it enters into a collective bargaining agreement that does any of the following: Establishes racial or religious preferences; Automatically deducts union dues from paychecks; Is in conflict with any state or federal transparency laws; Uses a method of compensation that does not comply with Sec. 380.1250.

**Sec. 166b. Shared-Time Instruction for Nonpublic Pupils – REVISED**

Requires that an applicable curricular offering include optional experiences associated with the curricular offering, and that the optional experience must also be available to the district's full-time pupils in the same grade level or age group. Eliminates kindergarten from allowable shared-time instruction. Revises definition for grades 9-12 nonessential courses from courses other than the specific subjects mentioned or those "that fulfill the same requirement credit requirement" to "those that can fill the same credit requirement".

**Supplemental Recommendations for FY 2017-18 Appropriations**

		<b>FY 2017-18 Recommendation</b>
<b>1. GF/GP and SAF Revenue Shift</b>		
Includes a fund shift of \$137.0 million reducing GF/GP from \$215.0 million to \$78.0 million and replacing it with SAF.	<b>Gross</b>	<b>\$0</b>
	Restricted	137,000,000
	GF/GP	(\$137,000,000)
<b>2. Cash Flow Borrowing (Sec. 11m)</b>		
Increases by \$11.5 million SAF to a total of \$18.0 million to reflect updated cost estimates for the interest costs of inter-fund borrowing between the School Aid Fund and the General Fund to balance the timing of revenue collections and required state aid payments.	<b>Gross</b>	<b>\$11,500,000</b>
	Restricted	11,500,000
	GF/GP	\$0
<b>3. Foundation Allowances (Secs. 22a and 22b)</b>		
Reduces by \$24.3 million SAF to a total of \$9.2 billion to reflect updated consensus cost estimates for pupil membership counts and taxable values.	<b>Gross</b>	<b>(\$24,300,000)</b>
	Restricted	(24,300,000)
	GF/GP	\$0
<b>4. Special Education (Secs. 51a, 51c, 51d, 53a, 54, and 56)</b>		
Increases by a total \$3.2 million SAF to reflect revised consensus cost estimates based on actual FY 2016-17 year-end special education costs data. Total estimated special education costs for FY 2017-18 are \$1.4 billion.	<b>Gross</b>	<b>\$3,200,000</b>
	Restricted	3,200,000
	GF/GP	\$0
<b>5. Renaissance Zone Reimbursements (Secs. 26a)</b>		
Reduces reimbursement payments by \$2.0 million SAF to a total of \$15.0 million. Estimated reimbursement payments required by statute have decreased due to recent Personal Property Tax reform.	<b>Gross</b>	<b>(\$2,000,000)</b>
	Restricted	(2,000,000)
	GF/GP	\$0
<b>6. School Lunch Programs (Sec. 31d)</b>		
Increases by \$306,900 SAF to ensure the state meets its obligation under Durant v. State of Michigan to fund 6.0127% of school lunch programs, bringing total to \$22.8 million SAF and \$532.2 million Federal.	<b>Gross</b>	<b>\$306,900</b>
	Restricted	306,900
	GF/GP	\$0
<b>7. Promise Zone Funding (Sec. 26c)</b>		
Increases by \$100,000 SAF to a total of \$1.6 million for required funds for districts and ISDs with approved Promise Zone development plans for the purposes of the local Promise Zone Authority.	<b>Gross</b>	<b>\$100,000</b>
	Restricted	100,000
	GF/GP	\$0

SCHOOL AID LINE ITEM SUMMARY



Sec.	FY 2017-18			FY 2018-19		FY 2019-20	
	YTD PA 143 of 2017 Supplemental	Change from YTD	FY 18 Exec Revised	Change from FY 18 YTD	FY 19 Exec	Change from FY 19 Exec	FY 20 Exec
11	\$125,500,000		\$125,500,000		\$125,500,000		\$125,500,000
11m	\$9,500,000	\$11,500,000	\$18,000,000	\$17,500,000	\$24,000,000	\$7,000,000	\$31,000,000
11s	\$8,730,100		\$8,730,100	(\$5,500,000)	\$3,230,100	(\$3,230,100)	\$18,000,000
20f	\$18,000,000		\$18,000,000	\$2,000,000	\$9,000,000	(\$2,000,000)	\$6,000,000
21h	\$6,000,000		\$6,000,000	(\$500,000)	\$0	\$0	\$0
21j	\$500,000		\$500,000		\$0		\$0
22a	\$5,181,800,000	(\$5,800,000)	\$5,176,000,000		\$5,048,000,000	(\$63,000,000)	\$4,985,000,000
22b	\$4,037,500,000	(\$18,500,000)	\$4,019,000,000		\$4,228,600,000	(\$9,600,000)	\$4,219,000,000
22d	\$5,000,000		\$5,000,000		\$5,000,000		\$5,000,000
22m	\$2,200,000		\$2,200,000		\$2,200,000		\$2,200,000
22n	\$11,000,000		\$11,000,000		\$11,000,000		\$11,000,000
22p	\$0		\$0	\$64,100,000	\$64,100,000		\$64,100,000
23f	\$8,000,000		\$8,000,000		\$8,000,000		\$8,000,000
24	\$1,339,000		\$1,339,000	\$18,700	\$1,357,700		\$1,355,700
24a	\$1,328,400		\$1,328,400	\$17,000	\$1,545,400		\$1,545,400
24c	\$750,000		\$750,000		\$750,000		\$750,000
25f	\$750,000		\$750,000		\$750,000		\$750,000
25g	\$17,000,000	(\$2,000,000)	\$15,000,000	(\$2,000,000)	\$15,000,000		\$15,000,000
26a	\$4,405,100		\$4,405,100		\$4,405,100		\$4,405,100
26b	\$1,500,000	\$100,000	\$1,600,000	\$1,500,000	\$3,000,000	\$1,500,000	\$3,000,000
26c	\$489,000,000		\$489,000,000		\$489,000,000		\$489,000,000
31a	\$6,057,300		\$6,057,300		\$6,057,300		\$6,057,300
31a(7)	\$5,150,000		\$5,150,000		\$5,150,000		\$5,150,000
31a(8)	\$1,500,000		\$1,500,000		\$1,500,000		\$1,500,000
31b	\$22,495,100	\$308,900	\$22,804,000	\$648,900	\$23,144,000	\$347,000	\$23,491,000
31d	\$523,200,000		\$523,200,000		\$523,200,000		\$523,200,000
31f	\$4,500,000		\$4,500,000		\$4,500,000		\$4,500,000
31j	\$375,000		\$375,000	(\$375,000)	\$0		\$0
31j	\$243,900,000		\$243,900,000		\$243,900,000		\$243,900,000
32d	\$13,400,000		\$13,400,000		\$13,400,000		\$13,400,000
32p	\$175,000		\$175,000	(\$175,000)	\$0		\$0
32q	\$1,000,000		\$1,000,000	(\$1,000,000)	\$0		\$0
35	\$6,000,000		\$6,000,000		\$6,000,000		\$6,000,000
35a(4)	\$20,900,000		\$20,900,000		\$20,900,000		\$20,900,000
35a(5)	\$2,500,000		\$2,500,000		\$2,500,000		\$2,500,000
35a(6)	\$731,600,000		\$731,600,000		\$731,600,000		\$731,600,000
39a(1)	\$30,000,000		\$30,000,000		\$30,000,000		\$30,000,000
39a(2)	\$6,000,000		\$6,000,000		\$6,000,000		\$6,000,000
41	\$370,000,000		\$370,000,000		\$370,000,000		\$370,000,000
51a(1)	\$284,200,000	\$2,200,000	\$286,400,000	\$7,900,000	\$272,100,000	\$5,600,000	\$278,000,000
51a(2)	\$1,000,000		\$1,000,000	\$100,000	\$1,100,000		\$1,100,000
51a(3)	\$2,200,000		\$2,200,000		\$2,200,000		\$2,200,000
51a(6)	\$3,600,000	(\$300,000)	\$3,300,000	(\$200,000)	\$3,400,000	(\$200,000)	\$3,200,000
51a(11)	\$500,000		\$500,000		\$500,000		\$500,000
51a(16)	\$635,300,000	\$1,300,000	\$636,600,000	\$15,300,000	\$650,000,000	\$14,400,000	\$665,000,000
51c	\$61,000,000		\$61,000,000		\$61,000,000		\$61,000,000
51d	\$10,500,000		\$10,500,000		\$10,500,000		\$10,500,000
53a	\$1,688,000		\$1,688,000		\$1,688,000		\$1,688,000
53b	\$1,600,000		\$1,600,000		\$1,600,000		\$1,600,000
54c	\$0		\$0	\$500,000	\$500,000		\$500,000
54d	\$0		\$0	\$5,000,000	\$5,000,000		\$5,000,000
55	\$150,000		\$150,000	(\$150,000)	\$0		\$0
56	\$37,758,100		\$37,758,100		\$37,758,100		\$37,758,100
61a	\$37,850,300		\$37,850,300	(\$1,238,000)	\$36,611,300		\$36,611,300
61b	\$8,000,000		\$8,000,000		\$8,000,000		\$8,000,000
61c	\$12,500,000		\$12,500,000	(\$12,500,000)	\$0		\$0
61d	\$9,190,000		\$9,190,000	\$5,000,000	\$5,000,000		\$5,000,000
62	\$9,190,000		\$9,190,000		\$9,190,000		\$9,190,000

SCHOOL AID LINE ITEM SUMMARY



Sec.	YTD PA 143 of 2017 Supplemental	Change from YTD	FY 18 Exec Revised
64b	\$1,750,000		\$1,750,000
64d	\$2,300,000		\$2,300,000
65	\$340,000		\$340,000
67	\$3,000,000		\$3,000,000
67a	\$1,000,000		\$1,000,000
74	\$2,025,000		\$2,025,000
81	\$1,705,300		\$1,705,300
94	\$67,108,000		\$67,108,000
94a	\$750,000		\$750,000
94a	\$18,216,000		\$18,216,000
94a	\$183,500		\$183,500
95b	\$2,500,000		\$2,500,000
98	\$7,387,500		\$7,387,500
99h	\$2,800,000		\$2,800,000
99k	\$500,000		\$500,000
99r	\$250,000		\$250,000
99s(2/3)	\$2,000,000		\$2,000,000
99s(4)	\$3,299,300		\$3,299,300
99s(4)	\$4,700,000		\$4,700,000
99s(5/6)	\$7,485,000		\$7,485,000
99s(6)	\$150,000		\$150,000
99t	\$1,100,000		\$1,100,000
99u	\$1,000,000		\$1,000,000
102d	\$1,500,000		\$1,500,000
104	\$34,708,400		\$34,708,400
104	\$6,250,000		\$6,250,000
104d	\$4,000,000		\$4,000,000
104e	\$250,000		\$250,000
107	\$27,000,000		\$27,000,000
147a	\$100,000,000		\$100,000,000
147a(2)	\$48,989,000		\$48,989,000
147c(1)	\$960,784,000		\$960,784,000
147c(2)	\$200,000,000		\$200,000,000
147e	\$23,100,000		\$23,100,000
152a	\$38,000,500		\$38,000,500
152b	\$2,500,000		\$2,500,000
<b>TOTAL APPROPRIATIONS</b>	<b>\$14,854,313,900</b>	<b>(\$11,193,100)</b>	<b>\$14,573,120,800</b>

Sec.	YTD PA 143 of 2017 Supplemental	Change from YTD	FY 18 Exec Revised
Federal Aid	\$1,728,943,500	\$0	\$1,728,943,500
School Aid Fund	\$12,547,270,300	\$125,000,000	\$12,673,077,200
MPSERS retirement obligation reform Reserve Fund	\$23,100,000	\$0	\$23,100,000
Community District Trust Fund/Other Restricted Fund	\$72,000,100	\$0	\$72,000,100
General Fund/General Purpose	\$215,000,000	(\$137,000,000)	\$78,000,000
<b>TOTAL AVAILABLE</b>	<b>\$14,584,313,900</b>	<b>(\$11,193,100)</b>	<b>\$14,573,120,800</b>

Sec.	YTD PA 143 of 2017 Supplemental	Change from YTD	FY 18 Exec Revised	FY 18 Exec	Change from FY 18 Exec	FY 20 Exec
64b	\$1,750,000		\$1,750,000	\$1,750,000		\$1,750,000
64d	\$2,300,000		\$2,300,000	\$0	(\$2,300,000)	\$0
65	\$340,000		\$340,000	\$0	(\$340,000)	\$0
67	\$3,000,000		\$3,000,000	\$3,000,000		\$3,000,000
67a	\$1,000,000		\$1,000,000	\$0	(\$1,000,000)	\$0
74	\$2,025,000		\$2,025,000	\$2,025,000		\$2,025,000
81	\$1,705,300		\$1,705,300	\$1,729,900	\$24,600	\$1,729,900
94	\$67,108,000		\$67,108,000	\$67,108,000		\$67,108,000
94a	\$750,000		\$750,000	\$750,000		\$750,000
94a	\$18,216,000		\$18,216,000	\$16,356,700	(\$1,859,300)	\$16,356,700
94a	\$183,500		\$183,500	\$183,500		\$183,500
95b	\$2,500,000		\$2,500,000	\$0	(\$2,500,000)	\$0
98	\$7,387,500		\$7,387,500	\$7,387,500		\$7,387,500
99h	\$2,800,000		\$2,800,000	\$2,500,000	(\$300,000)	\$2,500,000
99k	\$500,000		\$500,000	\$0	(\$500,000)	\$0
99r	\$250,000		\$250,000	\$400,000	\$150,000	\$400,000
99s(2/3)	\$2,000,000		\$2,000,000	\$2,850,000	\$850,000	\$2,850,000
99s(4)	\$3,299,300		\$3,299,300	\$0	(\$3,299,300)	\$0
99s(4)	\$4,700,000		\$4,700,000	\$3,500,000	(\$1,200,000)	\$3,500,000
99s(5/6)	\$7,485,000		\$7,485,000	\$4,584,300	(\$2,900,700)	\$4,584,300
99s(6)	\$150,000		\$150,000	\$0	(\$150,000)	\$0
99t	\$1,100,000		\$1,100,000	\$0	(\$1,100,000)	\$0
99u	\$1,000,000		\$1,000,000	\$0	(\$1,000,000)	\$0
102d	\$1,500,000		\$1,500,000	\$0	(\$1,500,000)	\$0
104	\$34,708,400		\$34,708,400	\$31,009,400	(\$3,700,000)	\$31,009,400
104	\$6,250,000		\$6,250,000	\$6,250,000		\$6,250,000
104d	\$4,000,000		\$4,000,000	\$0	(\$4,000,000)	\$0
104e	\$250,000		\$250,000	\$0	(\$250,000)	\$0
107	\$27,000,000		\$27,000,000	\$27,000,000		\$27,000,000
147a	\$100,000,000		\$100,000,000	\$100,000,000		\$100,000,000
147a(2)	\$48,989,000		\$48,989,000	\$88,139,000	\$39,170,000	\$88,139,000
147c(1)	\$960,784,000		\$960,784,000	\$1,032,700,000	\$71,916,000	\$1,068,500,000
147c(2)	\$200,000,000		\$200,000,000	\$0	(\$200,000,000)	\$0
147e	\$23,100,000		\$23,100,000	\$37,600,000	\$14,200,000	\$37,600,000
152a	\$38,000,500		\$38,000,500	\$38,000,500		\$38,000,500
152b	\$2,500,000		\$2,500,000	\$0	(\$2,500,000)	\$0
<b>TOTAL APPROPRIATIONS</b>	<b>\$14,854,313,900</b>	<b>(\$11,193,100)</b>	<b>\$14,573,120,800</b>	<b>\$14,835,969,600</b>	<b>(\$65,383,100)</b>	<b>\$14,630,586,700</b>

Sec.	YTD PA 143 of 2017 Supplemental	Change from YTD	FY 18 Exec Revised	FY 18 Exec	Change from FY 18 Exec	FY 20 Exec
Federal Aid	\$1,728,943,500	\$0	\$1,728,943,500	\$1,724,743,500	(\$4,200,000)	\$1,719,743,500
School Aid Fund	\$12,547,270,300	\$125,000,000	\$12,673,077,200	\$12,782,325,200	\$109,248,000	\$12,793,842,200
MPSERS retirement obligation reform Reserve Fund	\$23,100,000	\$0	\$23,100,000	\$31,900,000	\$8,800,000	\$31,900,000
Community District Trust Fund/Other Restricted Fund	\$72,000,100	\$0	\$72,000,100	\$72,000,100		\$72,000,100
General Fund/General Purpose	\$215,000,000	(\$137,000,000)	\$78,000,000	\$45,000,000	(\$33,000,000)	\$45,000,000
<b>TOTAL AVAILABLE</b>	<b>\$14,584,313,900</b>	<b>(\$11,193,100)</b>	<b>\$14,573,120,800</b>	<b>\$14,635,969,600</b>	<b>(\$65,383,100)</b>	<b>\$14,570,586,700</b>

**SCHOOL AID FUND (SAF) BALANCE SHEET**  
**FYs 2018, 2019, 2020: Exec Rec with SB 748 Revisions**  
(Dollars in Millions)

	Enacted FY 2017-18	Exec Revised FY 2017-18	Exec FY 2018-19	Exec FY 2019-20
<b>TOTAL BEGINNING BALANCE</b>	<b>\$377.4</b>	<b>\$377.4</b>	<b>\$81.9</b>	<b>(\$13.7)</b>
<b>ESTIMATED REVENUE</b>				
<b>SCHOOL AID FUND (SAF) REVENUE</b>				
Jan 2018 Revenue Estimates - CREC	\$13,084.5	\$13,084.5	\$13,484.0	\$13,822.7
Sales Tax on the Difference (SB94/95)	(\$0.2)	(\$0.2)	(\$2.0)	(\$4.2)
Additional Income Tax Revenue from Federal Tax Reform	(\$3.3)	(\$3.3)	\$2.4	\$10.5
SB 748 - Increase Income Tax Personal Exemptions	(\$1.8)	(\$1.8)	(\$17.0)	(\$34.8)
Michigan Venture Fund	\$0.0	\$0.0	\$0.0	(\$6.0)
<b>Subtotal: SAF Revenue</b>	<b>\$13,079.2</b>	<b>\$13,079.2</b>	<b>\$13,447.4</b>	<b>\$13,788.2</b>
<b>OTHER REVENUE ADJUSTMENTS</b>				
General Fund/General Purpose (GF/GP) Grant	\$215.0	\$78.0	\$45.0	\$45.0
Detroit Public Schools Trust Fund	\$72.0	\$72.0	\$72.0	\$72.0
MPERS retirement obligation reform reserve fund	\$23.1	\$23.1	\$31.9	\$0.0
Federal Aid	\$1,728.9	\$1,728.9	\$1,724.7	\$1,719.7
Prior Year Adjustments	\$0.0	\$0.0	\$0.0	\$0.0
<b>Subtotal: Other Revenue</b>	<b>\$2,037.0</b>	<b>\$1,900.0</b>	<b>\$1,873.6</b>	<b>\$1,836.7</b>
<b>TOTAL REVENUE</b>	<b>\$15,116.2</b>	<b>\$14,979.2</b>	<b>\$15,321.0</b>	<b>\$15,624.9</b>
<b>ESTIMATED EXPENDITURES</b>				
<b>ESTIMATED SCHOOL AID EXPENDITURES</b>				
Ongoing Baseline	\$14,584.3	\$14,584.3	\$14,836.0	\$14,830.8
HB 5093 (LaFave-MPSERS DC fix)	\$2.0	\$0.0		
FY 17 Lapse, FY 18 Consensus Cost Revisions	(\$9.5)	(\$11.2)		
<b>Subtotal: SCHOOL AID EXPENDITURES</b>	<b>\$14,576.8</b>	<b>\$14,573.1</b>	<b>\$14,836.0</b>	<b>\$14,830.8</b>
<b>SAF Deposit Into MPSERS Reserve</b>	<b>\$55.0</b>	<b>\$55.0</b>		
<b>Community Colleges</b>	<b>\$398.3</b>	<b>\$398.3</b>	<b>\$405.0</b>	<b>\$407.7</b>
<b>Higher Education</b>	<b>\$238.3</b>	<b>\$238.3</b>	<b>\$385.6</b>	<b>\$386.6</b>
<b>Subtotal: Post Secondary Expenditures</b>	<b>\$636.6</b>	<b>\$636.6</b>	<b>\$790.6</b>	<b>\$794.3</b>
<b>TOTAL EXPENDITURES</b>	<b>\$15,268.4</b>	<b>\$15,264.7</b>	<b>\$15,426.6</b>	<b>\$15,424.9</b>
<b>Current Year: Revenues - Expenditures</b>	<b>(\$152.2)</b>	<b>(\$285.5)</b>	<b>(\$105.6)</b>	<b>\$200.0</b>
<b>TOTAL ENDING BALANCE</b>	<b>\$225.2</b>	<b>\$91.9</b>	<b>(\$13.7)</b>	<b>\$186.3</b>