

GVSBO

GRAND VALLEY SCHOOL BUSINESS OFFICIALS
Regional Affiliate of Michigan School Business Officials

Friday, May 12, 2017

1:15 p.m.

Kent ISD, Coldwater Room

Call-in option:

Dial (616) 364-1333 and request GVSBO meeting

Agenda

- **Welcome & Introductions** (include those who've phoned in)
- **Legislative Update** – Chris Glass, West Michigan Talent Triangle and Ron Koehler, KISD
- **Main Program** –Program: Bethany Wicksall, House Fiscal Agency - State Budget Outlook
- **President's Report**

MSBO Annual Conference Review

2016/17 Business Administrator of the Year

Nomination for GVSBO Officers for 2017-18 - President, Secretary, Program Chair

MSBO Business Manager Academy

2017-18 Meeting Schedule

October 6, 2017

November 10, 2017

December 8, 2017

January 12, 2018

February 23, 2018

March 9, 2018

May 11, 2018

- **Treasurer's Report & Membership Update**
- **Roundtable Discussion**

GVSBO Officers for 2016-17:

President: Jodi DeKuiper, Newaygo County RESA

Secretary: Catherine Kloska, MAISD

Program Chair: Tina Wright, MAISD

Treasurer: Kyle Barr, West Ottawa

FY 2017-18: SCHOOL AID
Summary: As Passed by the Senate
Senate Bill 149 (S-1) As Amended



Analysts: Bethany Wicksall
Samuel Christensen

	FY 2016-17 YTD as of 2/8/17	FY 2017-18 Executive	FY 2017-18 House	FY 2017-18 Senate	FY 2017-18 Conference	Difference: House From FY 2016-17 YTD	
IDG/IDT	\$0	\$0	\$0	\$0		Amount	%
Federal	1,818,632,700	1,726,943,500	1,726,943,500	1,726,943,500		(91,689,200)	(5.0)
Local	0	0	0	0		0	--
Private	0	0	0	0		0	--
Restricted	12,124,309,400	12,360,145,300	12,367,507,200	12,365,762,000		241,452,600	2.0
GF/GP	218,900,000	215,000,000	215,000,000	195,000,000		(23,900,000)	(10.9)
Gross	\$14,161,842,100	\$14,302,088,800	\$14,309,450,700	\$14,287,705,500		\$125,863,400	0.9

Notes: (1) FY 2016-17 year-to-date figures include mid-year budget adjustments through February 8, 2017. (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 536 local school districts, 300 public school academies, the Education Achievement System, and 56 intermediate school districts (ISDs) for operations and certain categorical programs. It also appropriates funds to the Center for Educational Performance and Information, the Workforce Development Agency, and other entities to implement certain grants and other programs related to K-12 education.

NOTE: Information on House budget action in this document is based on House Bill 4313 as passed by the House.

Major Budget Changes From FY 2016-17 YTD Appropriations

		FY 2016-17 Year-to-Date (as of 2/8/17)	FY 2017-18 Senate Change
1. Foundation Allowance – Increase (Secs. 22a and 22b)	Gross	\$9,105,000,000	\$228,000,000
<u>Executive</u> increases foundation allowances from \$50 to \$100 using the 2x formula at a cost of \$128.0 million. The minimum foundation allowance would increase from \$7,511 to \$7,611, and the state maximum guaranteed foundation allowance would increase from \$8,229 to \$8,279.	Restricted	8,932,597,200	228,000,000
<u>House</u> increases foundation allowances by \$100 per pupil across the board at a cost of \$143.0 million. The minimum foundation allowance would increase from \$7,511 to \$7,611, and the state maximum guaranteed foundation allowance would increase from \$8,229 to \$8,329.	GF/GP	\$172,402,800	\$0
<u>Senate</u> increases foundation allowances from \$88 to \$176 using the 2x formula at a cost of \$228.0 million. The minimum foundation allowance would increase from \$7,511 to \$7,687 and the maximum guaranteed foundation allowance would increase from \$8,229 to \$8,317.			
2. Foundation Allowance – Cost Revisions (Secs. 22a and 22b)	Gross	\$9,105,000,000	(\$45,000,000)
<u>Executive</u> reduces the state share of foundation allowance costs to reflect estimated increases in the local share due to increased taxable values and estimated decreases in pupils.	Restricted	8,932,597,200	(45,000,000)
<u>House and Senate</u> concur with Executive.	GF/GP	\$172,402,800	\$0
3. Foundation Allowance – Cyber Schools (Sec. 22b)	Gross	\$80,000,000	\$0
<u>Executive</u> reduces cyber foundation allowances to 80% of the minimum foundation allowance after the 1st year of operation, saving \$16.0 million.	Restricted	80,000,000	0
<u>House and Senate</u> maintain cyber school foundations at 100% of the minimum foundation allowance.	GF/GP	\$0	\$0

Major Budget Changes From FY 2016-17 YTD Appropriations		FY 2016-17 Year-to-Date (as of 2/8/17)	FY 2017-18 Senate Change
4. Shared-time Instruction for Nonpublic and Homeschool Pupils (Sec. 23f)	Gross	\$115,000,000	(\$2,000,000)
<u>Executive</u> revises state support for shared-time instruction programs where districts provide nonessential courses to nonpublic and home-schooled students from a per pupil foundation allowance to a categorical funding program. Caps total funding at \$60.0 million which is estimated to be a \$55.0 million reduction from current-year shared-time costs. Districts would receive prorated funding if total funding requests exceeded the appropriation. <u>House</u> maintains current law and funds shared-time instruction through the foundation allowance.	Restricted	115,000,000	(2,000,000)
<u>Senate</u> concurs with <u>House</u> to fund shared-time instruction through the foundation allowance. However, caps the maximum FTE for which a nonpublic school pupil may be counted in a shared-time program at 0.75 FTE, reducing costs by \$2.0 million. <i>See major boilerplate changes in Sec.6(4)(ii).</i>	GF/GP	\$0	\$0
5. At-Risk (Sec. 31a)	Gross	\$378,988,200	\$100,000,000
<u>Executive</u> increases by \$150.0 million to a total of \$529.0 million. Expands to include hold harmless and out-of-formula districts that are currently excluded. Also revises the distribution formula from	Restricted	378,988,200	100,000,000
<ul style="list-style-type: none"> • 11.5% x District Foundation x Free Lunch Eligible Pupils to • 11.5% x Statewide Weighted Average Foundation x Economically Disadvantaged Pupils. Economically disadvantaged pupils are currently collected and reported by CEPI to the US Department of Education and include pupils who are eligible for both free and reduced-price lunch, Temporary Assistance to Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP), or are homeless, migrant, or in foster care. The expanded definition is estimated to increase the number of pupils for whom districts receive funding by 131,000.	GF/GP	\$0	\$0
<u>House</u> increases by \$129.1 million to a total of \$508.1 million. Concurs with <u>Executive</u> change regarding eligible pupils. <u>House</u> concurs with the revised distribution formula but caps the at-risk per-pupil allocation for newly eligible hold harmless and out-of-formula districts at 50% of their total before any proration.			
<u>Senate</u> increases by \$100.0 million to a total of \$479.0 million. Concurs with <u>Executive</u> change regarding eligible pupils. <u>Senate</u> allocates \$433.0 million under existing formula to currently eligible districts, an increase of \$54.0 million. Allocates \$41.0 million to all districts on an equal per pupil basis, approximately \$60 per eligible pupil. Earmarks \$5.0 million to districts providing WIDA Access or Alternate Access assessments for English language learners.			
6. High School Per Pupil Bonus (Sec. 22n) – NEW	Gross	\$0	\$0
<u>Executive</u> includes \$22.0 million to provide districts with an additional \$50 per pupil for each pupil in grades 9 to 12 to reflect the higher costs of high school instruction.	Restricted	0	0
<u>House</u> and <u>Senate</u> do not include this section.	GF/GP	\$0	\$0
7. Declining Enrollment (Sec. 29) – NEW	Gross	\$0	\$0
<u>Executive</u> includes \$7.0 million to districts that have experienced enrollment declines of more than 5% over the last 2 years. Funding would equal 1/3 of a district's foundation allowance multiplied by the difference between a 2-year average pupil membership blend and the district's actual membership blend. A district would be eligible for this funding for 2 years.	Restricted	0	0
<u>House</u> and <u>Senate</u> do not include this section.	GF/GP	\$0	\$0

		FY 2016-17 Year-to-Date (as of 2/8/17)	FY 2017-18 Senate Change
Major Budget Changes From FY 2016-17 YTD Appropriations			
8. Career and Technical Education (CTE) Programs (Sec. 61a)	Gross	\$36,690,300	\$0
<u>Executive</u> maintains current funding for CTE added costs and eliminates \$79,000 GF/GP to fund a non-profit organization that provides curriculum and training to CTE programs in restaurant management and culinary training.	Restricted	36,690,300	0
<u>House</u> concurs with Executive and adds \$1.0 million for competitive grants to up to 3 intermediate school districts (ISDs) to hire career and technical education counselors. Gives priority to the ISD with the greatest number of pupils, with the additional ISDs chosen in a way that distributes funding among urban and rural communities.	GF/GP	\$0	\$0
<u>Senate</u> maintains current funding for both CTE added costs and CTE programs in restaurant management and culinary training.			
9. Career and Technical Education (CTE) – Early/Middle College (Sec. 61b)	Gross	\$9,000,000	\$0
<u>Executive</u> maintains funding to expand CTE early/middle colleges.	Restricted	9,000,000	0
<u>House</u> eliminates this program.	GF/GP	\$0	\$0
<u>Senate</u> concurs with Executive.			
10. Career and Technical Education (CTE) – Equipment Upgrades (Sec. 61c)	Gross	\$3,200,000	\$4,300,000
<u>Executive</u> increases by \$16.8 million to expand the CTE equipment grant program begun in FY 2016-17. Eliminates the \$200,000 earmark to the Hudson School District Mechatronics program. Revises from a formula allocation to regional career education planning districts and replaces it with a competitive grant program for districts or ISDs administered by both MDE and the department of Talent and Economic Development (TED). Grants could be between \$250,000 and \$1,000,000.	Restricted	3,200,000	4,300,000
<u>House</u> increases by \$6.8 million to a total of \$10.0 million. Concurs with Executive in revising to a competitive grant program, but gives priority to districts that lease equipment from private industry partners. Increases the allocation for grants to districts with mechatronics programs from \$200,000 to \$1.0 million.	GF/GP	\$0	\$0
<u>Senate</u> increases by \$4.3 million to a total of \$7.5 million. Eliminates the \$200,000 earmark to the Hudson School District Mechatronics program. Revises the use of the funding from CTE programs supporting and driving economic development to those CTE programs identified in the highest 5 career cluster rankings in any of the 10 regional strategic plans approved for training on new equipment, professional development relating to computer science or coding, or new and emerging certified CTE programs to provide programming to enhance economic development.			
11. Flint Water Emergency Funds (Sec. 11s)	Gross	\$10,142,600	(\$1,412,500)
<u>Executive</u> reduces funding by \$1.4 million to Flint School District and Genesee ISD related to providing additional services for early childhood and supplemental school services, bringing the total to \$8.7 million for FY 2017-18. Funds would be allocated to expanded Great Start Readiness Program (GSRP) eligibility (\$3.0 million), school nurses and social workers (\$2.6 million) in Flint schools, ISD support to Flint residents that attend districts other than Flint (\$2.5 million), and nutrition programs (\$605,000).	Restricted	0	0
<u>House</u> and <u>Senate</u> concur with Executive.	GF/GP	\$10,142,600	(\$1,412,500)
12. Categorical Offset Payments (Sec. 20f)	Gross	\$18,000,000	\$1,400,000
<u>Executive</u> and <u>House</u> maintain current year funding levels which maintain a base that ensured a minimum net increase of \$5 for all districts for FY 2013-14 and a minimum net increase of \$25 for all districts for FY 2015-16 after categorical reductions in those years reduced total district funding more than foundation allowance increases.	Restricted	18,000,000	1,400,000
<u>Senate</u> increases total funding to \$19.4 million to ensure no district has a net decrease after adding increases in the foundation allowance and at risk payments with the elimination of MPSERS offset payments.	GF/GP	\$0	\$0

Major Budget Changes From FY 2016-17 YTD Appropriations		FY 2016-17 Year-to-Date (as of 2/8/17)	FY 2017-18 Senate Change
13. State School Reform/Redesign (SRO) (Sec. 21)		Gross	\$5,000,000
<u>Executive</u> maintains current law for funding to districts in which the SRO has assigned a CEO.		Restricted	5,000,000
<u>House</u> eliminates.		GF/GP	\$0
<u>Senate</u> provides a \$100 placeholder for districts with SRO CEOs and sets aside \$8.0 million in Sec. 21j, available by legislative transfer for purposes under Sec. 21 or 21h.			(\$4,999,900)
			(4,999,900)
			\$0
14. Competency Based Funding Pilot (Sec. 21g)		Gross	\$500,000
<u>Executive</u> eliminates funding for a competency-based transcript and market place pilot.		Restricted	0
<u>House</u> provides a \$100 placeholder to expand competency-based education programs.		GF/GP	\$500,000
<u>Senate</u> concurs with Executive.			(\$500,000)
			(500,000)
15. Partnership Model Districts (Sec. 21h) – NEW		Gross	\$0
<u>Executive</u> provides \$3.0 million (along with \$641,800 and 4.0 FTEs in the MDE budget) for interventions in districts identified as needing additional academic supports. Target districts would be districts not yet under the authority of the School Reform Office.		Restricted	0
<u>House</u> does not include this section.		GF/GP	\$0
<u>Senate</u> provides a \$100 placeholder for partnership model districts. Sets aside \$8.0 million in Sec. 21j, available by legislative transfer for purposes under Sec. 21 or 21h.			\$100
			100
			\$0
16. Academic Early Warning Restricted Fund (Sec. 21j) – NEW		Gross	\$0
<u>Executive</u> and <u>House</u> do not include this section		Restricted	0
<u>Senate</u> provides \$8.0 million to only be available through legislative transfer for purposes under Sec. 21 (SRO) or 21h (Partnership Model Districts).		GF/GP	\$0
			\$8,000,000
			8,000,000
			\$0
17. Consolidation Incentive Grants (Sec. 22g)		Gross	\$3,000,000
<u>Executive</u> eliminates funding for competitive assistance grants to districts or ISDs for reimbursement of transition costs associated with the dissolution, consolidation, or annexation of districts or ISDs.		Restricted	3,000,000
<u>House</u> reduces to \$1.0 million.		GF/GP	\$0
<u>Senate</u> concurs with Executive.			\$0
			0
			\$0
18. Technology Regional Data Hubs (Sec. 22m) – NEW		Gross	\$0
<u>Executive</u> provides \$2.2 million to support the Michigan Data Hub Network which was begun with former Sec. 22i Technology Readiness Infrastructure grants. The regional data hubs are designed to improve the efficiency of local school data collection and create common data reporting as required under Sec. 19.		Restricted	0
<u>House</u> appropriates \$1.2 million.		GF/GP	\$0
<u>Senate</u> appropriates \$1.1 million for a competitive grant process to a network for upgrading data infrastructure, promoting data integration systems, promoting 100% district adoption of the Michigan data hub network, ensuring data security and privacy, providing actionable and consistent statewide reports and dashboards, creating a governance model to facilitate a sustainable model for the future, and evaluating future data initiatives.			\$1,100,000
			1,100,000
			\$0
19. Strict Discipline Academy (Sec. 25f)		Gross	\$750,000
<u>Executive</u> eliminates funding for the added costs of educating strict discipline academy pupils.		Restricted	750,000
<u>House</u> and <u>Senate</u> maintain current funding.		GF/GP	\$0
			\$0
			0
			\$0
20. Dropout Recovery Programs (Sec. 25g)		Gross	\$750,000
<u>Executive</u> eliminates funding for the additional costs of educating pupils in a year-round dropout recovery program.		Restricted	750,000
<u>House</u> and <u>Senate</u> maintain current funding.		GF/GP	\$0
			\$0
			0
			\$0

		FY 2016-17 Year-to-Date (as of 2/8/17)	FY 2017-18 Senate Change
Major Budget Changes From FY 2016-17 YTD Appropriations			
21. School Based Health Centers (Sec.31a(7))	Gross	\$5,557,300	\$500,000
<u>Executive</u> maintains current funding for school based health centers.	Restricted	5,557,300	500,000
<u>House</u> concurs with Executive.	GF/GP	\$0	\$0
<u>Senate</u> increases by \$500,000 and changes the spending directive from child and adolescent health centers to funding primary health care services provided to children and adolescents up to age 21.			
22. Year-Round Instruction Programs (Sec. 31b)	Gross	\$1,500,000	\$0
<u>Executive</u> increases the total for year-round, balanced-calendar instruction grants to \$3.0 million. Grants support districts with funds for building modifications or other nonrecurring costs related to the transition to a balanced-calendar.	Restricted	1,500,000	0
<u>House and Senate</u> maintain current year appropriation.	GF/GP	\$0	\$0
23. Local Produce in School Meals (Sec. 31j)	Gross	\$250,000	\$0
<u>Executive</u> eliminates funding for a pilot project to support districts in the purchase of locally grown fruits and vegetables for use in school lunches.	Restricted	0	0
<u>House</u> concurs with Executive.	GF/GP	\$250,000	\$0
<u>Senate</u> maintains current funding.			
24. Early Learning Cooperative (Sec. 32q)	Gross	\$175,000	\$0
<u>Executive</u> eliminates funding for a preschool early learning cooperative pilot.	Restricted	175,000	0
<u>House</u> concurs with Executive.	GF/GP	\$0	\$0
<u>Senate</u> maintains current funding and updates intent language to provide that it is the 2nd of 3 years of funding.			
25. Early Literacy District Grants (Sec. 35 and 35a)	Gross	\$24,900,000	\$4,500,000
<u>Executive</u> adds \$3.0 million to a total of \$6.0 million for early literacy coaches and eliminates \$1.0 million for Michigan Education Corps. Maintains funding for department implementation (\$1.0 million) professional development (\$950,000), screening and diagnostic tools (\$1.5 million), and added instructional time (\$17.5 million).	Restricted	22,900,000	3,000,000
<u>House</u> eliminates department implementation (\$1.0 million) and concurs to eliminate the Michigan Education Corps (\$1.0 million). House rolls up remaining funding along with a \$500,000 increase for a total of \$25.4 million distributed to eligible districts in an amount equal to \$245 for each 1 st grade pupil. Allows districts to use funds for all of the currently funded activities including professional development, screening and diagnostic tools, early literacy coaches, and additional instructional time.	GF/GP	\$2,000,000	\$1,500,000
<u>Senate</u> concurs with Executive but increases Michigan Education Corps by \$1.5 million to a total of \$2.5 million.			
26. Michigan Behavior and Learning Support Initiative (MiBLSI) (Sec. 54b)	Gross	\$1,125,000	\$475,000
<u>Executive</u> increases by \$475,000 to a total \$1.6 million to continue to pilot the implementation of positive behavioral intervention and supports and to support a statewide structure to support local initiatives for an integrated behavior and reading program.	Restricted	1,125,000	475,000
<u>House and Senate</u> concur with Executive.	GF/GP	\$0	\$0
27. Conductive Learning Study (Sec. 55)	Gross	\$150,000	\$0
<u>Executive</u> eliminates this section because intent language stated that FY 2016-17 was the 2nd of 2 years of funding.	Restricted	150,000	0
<u>House</u> concurs with Executive.	GF/GP	\$0	\$0
<u>Senate</u> maintains funding at \$150,000 and revises intent language to say that this is the 3rd of 3 years of funding.			
28. Information Technology Certifications (Sec. 64d/99u) – NEW	Gross	\$0	\$2,300,000
<u>Executive</u> does not include this section.	Restricted	0	0
<u>House</u> adds \$1.0 million for a competitive grant to provide information technology education opportunities to students attending districts, ISDs, or PSAs, CTE programs, and Community Colleges. (Sec. 64d)	GF/GP	\$0	\$2,300,000
<u>Senate</u> concurs with House but appropriates \$2.3 million for the 1 st of 3 years. (Sec. 99u)			

Major Budget Changes From FY 2016-17 YTD Appropriations		FY 2016-17 Year-to-Date (as of 2/8/17)	FY 2017-18 Senate Change
29. Detroit PreCollege Engineering (Sec. 65)		Gross	\$340,000
<u>Executive</u> eliminates funding for the Detroit PreCollege Engineering program.		Restricted	0
<u>House</u> concurs with Executive.		GF/GP	\$340,000
<u>Senate</u> maintains current funding.			\$0
30. School Bus Driver Safety Instruction (Sec.74)		Gross	\$1,625,000
<u>Executive</u> maintains current funding for payments to state colleges and or universities and intermediate districts providing school bus driver safety instruction.		Restricted	1,625,000
<u>House</u> concurs with Executive.		GF/GP	\$0
<u>Senate</u> adds \$400,000 for school bus driver safety instruction.			\$400,000
31. Statewide School Drinking Water Quality Program (Sec. 78) – NEW		Gross	\$0
<u>Executive</u> transfers this program, begun in FY 2016-17, from the MDE budget to the School Aid budget. Reimburses districts and nonpublic schools with up to \$950 per school building for the costs of voluntary water testing.		Restricted	0
<u>House</u> and <u>Senate</u> do not include this section.		GF/GP	\$0
32. ISD General Operations Support (Sec. 81)		Gross	\$67,108,000
<u>Executive</u> maintains current funding for ISD general operations support.		Restricted	67,108,000
<u>House</u> concurs with Executive.		GF/GP	\$0
<u>Senate</u> increases ISD funding by 1.5%, or \$1.0 million, to a total of \$68.1 million.			\$1,000,000
33. Advanced Placement (AP) Incentive Program (Sec. 94)		Gross	\$250,000
<u>Executive</u> maintains current funding for the AP incentive Program, which the department awards funds to cover all or part of the test or registration fees for the AP test or international baccalaureate.		Restricted	250,000
<u>House</u> concurs with Executive.		GF/GP	\$0
<u>Senate</u> increases by \$750,000 for a total of \$1.0 million.			\$750,000
34. Center for Educational Performance and Information (CEPI) (Sec. 94a)		Gross	\$12,366,700
<u>Executive</u> provides an additional \$4.0 million in ongoing support for CEPI to replace Federal funds that have been available through work projects for several years which are used for the support of longitudinal data collection and a web-based school data portal.		Federal	193,500
<u>House</u> increases by \$2.0 million.		GF/GP	\$12,173,200
<u>Senate</u> increases by \$1.0 million.			\$1,042,800
35. Educator Evaluations (Sec. 95a)		Gross	\$0
<u>Executive</u> includes \$7.0 million to fund professional development and training for teachers and administrators in implementing educator evaluations as required under PA 173 of 2015. Initial funding of \$14.8 million was provided in the FY 2015-16 budget, but carried forward as a work project into the current year. This would represent the cost of training the remaining evaluators.		Restricted	0
<u>House</u> and <u>Senate</u> do not include this section.		GF/GP	\$0
36. Educator Evaluations –Value-added Growth Model (Sec. 95b) – NEW		Gross	\$0
<u>Executive</u> does not include this section.		Restricted	0
<u>House</u> provides \$2.5 million GF/GP to develop a statewide value-added growth and projection analytics system to support educator and administrator evaluations as required under sections 1249, 1249a, and 1249b of the School Aid Act.		GF/GP	\$0
<u>Senate</u> does not include this section.			\$0
37. Michigan Virtual University (Sec. 98)		Gross	\$7,387,500
<u>Executive</u> maintains current funding for the Michigan Virtual University		Restricted	0
<u>House</u> concurs with Executive.		GF/GP	\$7,387,500
<u>Senate</u> reduces by \$887,500 GF/GP to a total \$6.5 million GF/GP.			(\$887,500)
38. Civic Education (Sec. 99c)		Gross	\$0
<u>Executive</u> and <u>House</u> do not include this section.		Restricted	0
<u>Senate</u> includes \$60,000 GF/GP for a competitive grant for the delivery of programs that exemplify best practices in civic education.		GF/GP	\$0
			\$60,000

<u>Major Budget Changes From FY 2016-17 YTD Appropriations</u>		FY 2016-17 Year-to-Date (as of 2/8/17)	FY 2017-18 Senate Change
39. FIRST Robotics (Sec. 99h)		Gross	\$2,500,000
<u>Executive</u> maintains current year appropriation levels for FIRST Robotics.		Restricted	0
<u>House</u> concurs with Executive.		GF/GP	\$2,500,000
<u>Senate</u> adds \$250,000 GF/GP for competitive grants to nonpublic schools for FIRST Robotics.			\$250,000
40. Cyber Security Competition Grants (Sec. 99k) – NEW		Gross	\$0
<u>Executive</u> adds \$500,000 for competitive grants to districts to support teams of pupils in grades 6-12 participating in cybersecurity competitive events through either the Michigan High School Cyber Challenge or CyberPatriot.		Restricted	0
<u>House</u> does not include this section.		GF/GP	\$0
<u>Senate</u> concurs with Executive.			\$500,000
41. MISTEM Grants (Sec. 99s)		Gross	\$9,549,300
<u>Executive</u> increases by nearly \$1.0 million but adds \$1.5 million in additional state funds which are offset by a loss of \$549,300 in federal funds. Significantly revises the funding allocations as follows:		Federal	5,249,300
<ul style="list-style-type: none"> • \$50,000 for MiSTEM Advisory Council Administration (No Change). • \$3.0 million for MISTEM Advisory Council grants (increase of \$2.0 million). • \$7.5 million for the MiSTEM Centers Network which would replace 33 existing MathScience Centers with 10 regional MiSTEM Centers (decrease of \$549,300). • Eliminates \$250,000 for Science Olympiad. • Eliminates \$250,000 for Van Andel Education Institute. 		Restricted	3,000,000
<u>House</u> concurs with Executive funding levels except provides \$2.85 million for MISTEM Advisory Council grants and \$150,000 for VanAndel Education Institute.		GF/GP	\$1,300,000
<u>Senate</u> increases gross funding by nearly \$1.0 million including \$1.5 million in additional state funds which are offset by a loss of \$549,300 in federal funds. Increases MISTEM grants by nearly \$1.0 million. Backfills the loss of federal funds for Math and Science Centers with state funds, and does not include the Governor's proposal to reduce the number of and reorganize the centers. Maintains current year allocations for Science Olympiad (\$250,000) and Van Andel Education Institute (\$250,000).			\$950,700
42. Online Algebra Tool (Sec. 99t)		Gross	\$1,500,000
<u>Executive</u> eliminates funding for statewide access to an online algebra tool.		Restricted	0
<u>House</u> reduces by \$500,000 for a total of \$1.0 million to continue the contract for FY 2017-18. Allocates a \$100 placeholder for an additional online math tool.		GF/GP	\$1,500,000
<u>Senate</u> reduces by \$300,000.			(\$300,000)
43. Financial Data Analysis Tools (Sec. 102d)		Gross	\$1,500,000
<u>Executive</u> eliminates funding to reimburse districts and ISDs for the licensing of school data analytical tools.		Restricted	1,500,000
<u>House</u> maintains current funding.		GF/GP	\$0
<u>Senate</u> increases by \$250,000.			\$250,000
44. Statewide Student Assessments (Sec. 104)		Gross	\$40,144,400
<u>Executive</u> reduces by \$185,000 to reflect the elimination of funding for the kindergarten readiness assessment pilot.		Restricted	33,894,400
<u>House</u> maintains total funding levels but allocates \$1.1 million from the total for the implementation of an assessment digital literacy preparation pilot project for pupils enrolled in grades K to 8 through a district contract with a third party experienced in the assessment of digital literacy skills.		Federal	6,250,000
<u>Senate</u> concurs with Executive's reduction for the kindergarten readiness assessment pilot (\$185,000), but adds \$1.0 million for implementation of a Michigan kindergarten entry observation tool for an ISD in prosperity region 9 with at least 3,000 kindergarten students.		GF/GP	\$0

		FY 2016-17 Year-to-Date (as of 2/8/17)	FY 2017-18 Senate Change
Major Budget Changes From FY 2016-17 YTD Appropriations			
45. Computer Adaptive Tests (Sec. 104d)	Gross	\$4,000,000	\$1,000,000
<u>Executive</u> eliminates funding to reimburse districts for the purchase of computer adaptive tests and benchmark assessments.	Restricted	4,000,000	1,000,000
<u>House</u> maintains current funding.	GF/GP	\$0	\$0
<u>Senate</u> increases by \$1.0 million.			
46. Adult Education (Sec. 107)	Gross	\$25,000,000	\$2,500,000
<u>Executive</u> maintains current funding for Adult Education	Restricted	25,000,000	2,500,000
<u>House</u> concurs with Executive.	GF/GP	\$0	\$0
<u>Senate</u> adds \$2.5 million for grants to not more than 5 pilot programs at \$500,000, which are additional to the currently funded pilot program in a prosperity region with 2 or more subregions, to connect adult education participants with employers. Provides specific geographic requirements to be an eligible pilot program.			
47. MPSERS Cost Offset (Sec. 147a)	Gross	\$100,000,000	(\$100,000,000)
<u>Executive</u> maintains current funding of \$100.0 million to offset a share of MPSERS costs.	Restricted	100,000,000	(100,000,000)
<u>House</u> concurs with Executive.	GF/GP	\$0	\$0
<u>Senate</u> eliminates current funding.			
48. MPSERS Assumed Rate of Return (AROR) – Employer Normal Cost Increase Offset (Sec. 147a) – NEW	Gross	\$0	\$48,969,000
<u>Executive</u> reimburses districts, ISDs, and district libraries for the employer normal cost increases related to the AROR reduction from 8.0% to 7.5% at a cost of \$48.9 million for FY 2017-18 and a total cost of \$97.8 million in FY 2018-19, once fully phased-in over 2 years.	Restricted	0	48,940,000
<u>House</u> and <u>Senate</u> concur with Executive.	GF/GP	\$0	\$29,000
49. MPSERS Assumed Rate of Return (AROR) – Unfunded Liability State Share (Sec. 147c)	Gross	\$982,800,000	(\$22,016,000)
<u>Executive</u> proposes a 2-year phase-in to reduce the MPSERS AROR from 8.0% to 7.5% at a cost of \$90.8 million FY 2017-18 and double that in FY 2018-19. The FY 2017-18 cost increase is offset by savings due to improved health care cost experience and higher rates of investment returns during the most recent 5-year actuarial smoothing period. Overall costs for the State Share are reduced by \$22.0 million to a total of \$960.8 million for FY 2017-18.	Restricted	982,200,000	(22,070,000)
<u>House</u> and <u>Senate</u> concur with Executive.	GF/GP	\$600,000	\$54,000
50. Nonpublic School Reimbursement (Sec. 152b)	Gross	\$2,500,000	\$0
<u>Executive</u> eliminates funding to reimburse nonpublic schools for the costs of complying with state statute.	Restricted	0	0
<u>House</u> maintains \$2.5 million for reimbursements but revises language to specify that reimbursements are for complying with state statutory or administrative rule requirements related to the health, safety, and welfare of students. Also adds \$250,000 for competitive grants to nonpublic schools for FIRST Robotics and Science Olympiad programs.	GF/GP	\$2,500,000	\$0
<u>Senate</u> maintains \$2.5 million current year appropriation.			
51. Program Eliminations	Gross	\$5,410,000	(\$5,410,000)
<u>Executive, House, and Senate</u> eliminate an additional 4 categorical programs including the following:	Restricted	5,410,000	(5,410,000)
• Sec. 20g – Dissolved District Transition Grants (\$1.9 million)	GF/GP	\$0	(\$0)
• Sec. 31c – Gang Prevention Programs (\$3.0 million)			
• Sec. 31h – Cooperative Education (Marshall/Albion) (\$300,000)			
• Sec. 63 – ISD Health Department Partnership for CTE/Health (\$250,000)			
52. School Breakfast and Lunch Programs (Sec. 31d and 31f)	Gross	\$538,195,100	\$12,000,000
<u>Executive</u> increases by a total of \$12.0 million including \$10.0 million additional Federal funds for the school lunch program and an additional \$2.0 million SAF for the school breakfast program to reflect updated reimbursement cost estimates.	Federal	513,200,000	10,000,000
<u>House</u> and <u>Senate</u> concur with Executive.	Restricted	24,995,100	2,000,000
	GF/GP	\$0	\$0

<u>Major Budget Changes From FY 2016-17 YTD Appropriations</u>		<u>FY 2016-17 Year-to-Date (as of 2/8/17)</u>	<u>FY 2017-18 Senate Change</u>
53. Federal Grant Reductions (Sec. 39a)	Gross	\$852,739,900	(\$91,139,900)
<u>Executive</u> reduces Federal grants estimated under the Every Student Succeeds Act (ESSA) to reflect revised estimates for anticipated federal funds, the majority of which are being reduced for FY 2016-17 as well. (See <i>Supplemental Recommendations below.</i>)	Federal	852,739,900	(91,139,900)
<u>House and Senate</u> concur with Executive.	GF/GP	\$0	\$0
54. Special Education (Secs. 51a, 51c, 51d, 53a, 54, and 56)	Gross	\$1,414,046,100	(\$19,400,000)
<u>Executive</u> updated to reflect revised consensus cost estimates based on actual FY 2015-16 year-end special education cost data.	Federal	441,000,000	(10,000,000)
<u>House</u> concurs with Executive.	Restricted	973,046,100	(9,900,000)
<u>Senate</u> provides \$500,000 in section 51a for ISDs to ensure that PSAs within their boundaries comply with sections 1701A, 1703, 1704, 1751, 1752, 1756, and 1757 of the revised school code, applicable rules, and the individuals with disabilities education act public law 108-446.	GF/GP	\$0	\$500,000
55. Other Major Cost Adjustments	Gross	NA	\$1,000,000
<u>Executive</u> revises the following sections to reflect updated cost estimates:	Restricted	NA	1,000,000
11j – School Bond Redemption Fund reduced by \$1.0 million to \$125.5 million.	GF/GP	NA	\$0
11m – Cash Flow Borrowing Costs increased by \$3.5 million to \$6.5 million.			
26a – Renaissance Zone Reimbursements decreased by \$2.0 million to \$18.0 million.			
26c – Promise Zone Funding increased by \$500,000 to \$1.5 million.			
<u>House and Senate</u> concur with Executive.			

Major Boilerplate Changes From FY 2016-17

Secs. 3(1)(2) and 4(1). Achievement Authority, Achievement School, Education Achievement System – DELETED

Executive deletes definitions and references throughout the budget to the Education Achievement Authority, as it will be dissolved at the end of the current fiscal year.

House and Senate concur with Executive.

Sec. 6(4)(ii). Pupil Membership - Counting Middle College Pupils – REVISED

Executive does not include this subdivision.

House revises the pupil membership definition to allow for a pupil in a middle college program to be counted for more than 1.0 FTE if the pupil is enrolled in more than the minimum number of instructional days and hours required under section 101 such that the pupil is expected to complete the 5-year program with both a high school diploma and 60 transferable college credits or an associate's degree in fewer than 5 years.

Senate does not include.

Sec. 6(4)(ii). Pupil Membership - Counting Shared-Time Pupils – REVISED

Executive and House do not include.

Senate revises the pupil membership definition to cap the maximum FTE for which a nonpublic school pupil may be counted in a shared-time program at 0.75 FTE.

Sec. 6(4)(ij). Pupil Membership - Counting Dual Enrollment Across State Border– REVISED

Executive and House do not include this subdivision.

Senate revises the pupil membership definition to allow for a district that borders another state or a public school academy operating at least grades 9 to 12 and is within 20 miles of a border with another state to count in membership a pupil who is enrolled in a course at a college or university that is located in the bordering state and within 20 miles of the border.

Sec. 8b(3). Cyber Public School Academies (PSAs) – Assignment of District Codes – REVISED

Executive provides that for a cyber PSA that does not provide instruction at a specific location, and is authorized by a non-statewide entity, the ISD of assignment shall be the ISD that would normally provide programs and services to the resident school district in which the administrative office of the cyber PSA is located. Also provides that the ISD required to provide programs and services remains the same for as long as the cyber PSA is operating.

House and Senate concur with Executive.

Major Boilerplate Changes From FY 2016-17

Sec. 31a. At-Risk – REVISED

Executive does the following:

- (1) Expands the goals of the program from A) English Language Arts (ELA) proficiency in grade 3 and B) college and career ready high school graduates to include C) math proficiency in grade 8 and D) pupils attending school regularly.
- (2) Deletes the prohibition of funding to hold harmless or out-of-formula districts.
- (3) Expands the requirement that the district uses a multi-tiered systems of supports (MTSS) from K-3 to K-8.
- (4) Revises to base the district allocation formula on economically disadvantaged pupils rather than free lunch eligible pupils. Economically disadvantaged pupils are currently collected and reported by CEPI to the US Department of Education and include pupils who are eligible for both free and reduced-price lunch, Temporary Assistance to Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP), or are homeless, migrant, or in foster care. The expanded definition is estimated to increase the number of pupils for whom districts receive funding by 131,000.
- (5) Revises to base the district allocation formula on 11.5% times a statewide weighted average foundation allowance rather than each district's foundation allowance to eliminate the variation in per pupil funding among districts.
- (6) Requires a district to use at-risk funds for 4 goals or metrics that will be used to measure a district's success beginning in FY 2020-21 including chronic absenteeism rates, ELA proficiency in grade 3, Math proficiency in grade 8 and that at least 65% of high school pupils enroll in CTE, advanced placement, international baccalaureate, or dual-enrollment programs and that at least 80% of those pupils have successfully completed the courses.
- (7) Allows a district to use up to 5% of its funds for professional development related to MTSS and improving the goal metrics.
- (8) Revises the definition of at-risk pupil for the provision of services to pupils who are economically disadvantaged or English language learners and who failed or is at risk of failing to be proficient in grade 3 ELA or grade 8 math or is chronically absent.
- (9) Requires that MDE identify districts that do not meet the goal metrics by FY 2020-21 and partner with the district to review and revise district programs and practices.

House concurs with Executive except does not allow a district to use up to 5% of its funds for professional development; requires MDE to identify districts that do not meet the goal metrics by FY 2018-19 rather than FY 2020-21; and requires that the form and manner prescribed by MDE for the district report on use of at-risk funds be prescribed in a way that does not limit a district's ability to use funds on any activity permissible under this section.

Senate concurs with the Executive except for the following: expands allowable professional development expenditures to include implementing K to 3 early literacy as required in Sec. 1280f of the Revised School Code; adds that in accounting for economically disadvantaged pupils in a community district in FY 2017-18 those pupils that were enrolled in the education achievement system in FY 2016-17 would be counted as pupils in the community district for FY 2016-17.

Secs. 31a and 39a(1)(f). Transportation Reimbursement/Voucher – NEW

Executive does not include this section.

House adds intent language for FY 2018-19 that a portion funds appropriated in Sections 31a (At-Risk) and 39a(1)(f) (federal Title I) shall be used to reimburse districts that provide transportation or transportation vouchers or passes to students attending a district that is not their resident district or a public school academy.

Senate does not include this section.

Sec 32d. Great Start Readiness Program (GSRP) – RETAINED

Executive revises to require that 100% rather than 90% of GSRP participants meet the income eligibility of family income less than 250% of the federal poverty level. Deletes provision that allows a program to serve children in families with income up to 300% of the federal poverty level if all of the eligible children under 250% are served.

House concurs with Executive, but makes the following revisions: bars an entity that has an approved GSRP curriculum from being eligible for a grant to conduct a longitudinal evaluation of children who have participated in GSRP programs; adds Connect4Learning as an age-appropriate educational curriculum for GSRP.

Senate maintains current law.

Sec. 39. Great Start Readiness Program (GSRP) Formula Allocation – REVISED

Executive eliminates the process whereby ISDs individually estimate the number of children eligible for the program and replaces it with an estimate provided by the MDE based on American Community Survey Census data.

Revises the formula allocation from being based on a half-day slot to number of children served in a school day program. The allocation for a child in a school day program would remain \$7,250 per day, or \$3,625 if in blended GSRP/Head Start program. An ISD would be allocated under the initial round of funding an amount equal to the amount they received in the prior year or an amount necessary to fund their available capacity if it is less than the prior year.

Creates a statewide benchmark of the percent of eligible children that were served by the program in previous year, currently at 60%. If funds remain after the initial allocations, remaining funding would be distributed to ISDs based on their proportional share of children unserved if they are below the state benchmark.

House and Senate concur with Executive.

Major Boilerplate Changes From FY 2016-17

Sec. 51a (14)(15)(16). Special Education in Public School Academies – REVISED

Executive and House maintains current law. Subsection (14) provides that in the absence of an agreement special education for a student enrolled in a charter school is the responsibility of the resident district and ISD. Subsection (15) provides for a 10% state aid penalty if a district, PSA, or ISD fails to comply with state and federal rules regarding the provision of special education. Senate revises to do the following: Revises (14) such that a PSA must enter into a written agreement with a resident district or ISD regarding the provision and payment of special education services, and in the absence of that agreement the PSA may not charge and is not eligible for any payment from the resident district or ISD. Eliminates the penalty under (15) and requires the MDE to allocate any federal IDEA funds directly to a PSA rather than to the ISD in which it is located. Adds (16) which requires that the ISD in which a PSA is located must ensure that the PSA complies with state and federal special education rules and law. Allocates up to \$500,000 in funds to reimburse the ISDs for the added costs of ensuring this compliance.

Sec. 104c. State Student Assessments – REVISED

Executive requires that MDE begin to develop and implement pilot programs or field testing of test content for the statewide use of benchmark assessments for grades 3 to 8 up to 3 times per year beginning in the 2018-2019 school year. Additionally, these benchmark assessments shall be fully aligned to the state content standards for English language arts and mathematics and may be computer-adaptive in nature.

House requires that MDE implement a request for information for a common formative assessment that is aligned with the state's content standards, but allows MDE to use information compiled from a request for proposal in 2016-2017 to satisfy this request. Senate concurs with Executive.

Sec. 107. Adult Education – REVISED

Executive and House maintain current law.

Senate revises to push back the 2nd phase of the implementation of the new (began in FY 2014-15) funding formula by one year.

Sec. 160. Labor Day Waiver Hearing – NEW

Executive and House do not include this section.

Senate includes a new requirement that if a district requests a waiver to begin school before Labor Day, the district must hold a joint hearing with the MDE to be held in the district before said waiver can be granted

Sec. 164g. Legal Action Against the State – NEW

Executive does not include this section.

House establishes a penalty in an amount equal to the amount spent if a district or ISD uses funds appropriated under this act to pay for an expense relating to any legal action initiated by the district or ISD against the state.

Senate does not include this section.

Sec. 164h. Collective Bargaining Agreement Penalty – NEW

Executive does not include this section.

House establishes a penalty equal to 5% of total state aid if a district or ISD enters into a collective bargaining agreement that does any of the following: establishes racial and religious preferences for employees; automatically deducts union dues from employee compensation; is in conflict with any state or federal laws regarding district transparency; includes a method of compensation that does not comply with the requirements of section 1250 of the Revised School Code, MCL 380.1250.

Senate does not include this section.

<u>Supplemental Recommendations for FY 2016-17 Appropriations</u>	<u>FY 2016-17 Recommendation</u>	
<u>1. Cash Flow Borrowing (Sec. 11m)</u>	Gross	\$2,500,000
<u>Executive</u> increases by \$2.5 million to a total of \$5.5 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.	Restricted	2,500,000
<u>House and Senate</u> concur with <u>Executive</u> .	GF/GP	\$0
<u>2. Distressed Districts Emergency Grant Fund (Sec. 11r)</u>	Gross	\$0
<u>Executive</u> revises to lapse the remaining \$1.0 million in the fund to the School Aid Fund.	Restricted	0
<u>House and Senate</u> concur with <u>Executive</u> .	GF/GP	\$0
<u>3. Flint Declaration of Emergency (Sec. 11s)</u>	Gross	\$0
<u>Executive</u> reduces the pupil count for an eligible district from 5,000 to 4,500 to reflect the drop in Flint School District pupil membership to 4,945. Revises such that payments may be distributed in a manner other than the 11 monthly state aid payments as required by Sec. 17b.	Restricted	0
<u>House and Senate</u> concur with <u>Executive</u> .	GF/GP	\$0

Supplemental Recommendations for FY 2016-17 Appropriations**FY 2016-17
Recommendation**

4. State Aid Payment Adjustments (Sec. 15)	Gross	NA
<u>House</u> revises to permit the department to waive all or a portion of a district's adjusted school aid repayments if the following all apply: district would experience a significant hardship in satisfying financial obligations; district would experience a significant hardship in its responsibility to provide instruction to its pupils; the district has taken corrective action to ensure that the circumstance that necessitated the adjustment does not recur.	Restricted	NA
<u>Senate</u> does not include.	GF/GP	NA
5. School Reform Office (Sec. 21)	Gross	\$0
<u>Senate</u> adds work project language that would allow funding to be carried forward into subsequent fiscal years.	Restricted	0
	GF/GP	\$0
6. Foundation Allowances (Secs. 22a and 22b)	Gross	\$10,000,000
<u>Executive</u> increases by \$10.0 million to a total of \$9,115.0 million to reflect updated consensus cost estimates for pupil membership counts and taxable values. Also provides technical revisions to shift the reimbursement for the Detroit Community School District's absence of local school operating revenue with revenue from the Community District Education Trust Fund from Sec. 22a to Sec. 22b to align with the requirements of PA 193 of 2016.	Restricted	10,000,000
<u>House and Senate</u> concur with Executive.	GF/GP	\$0
7. Renaissance Zone Reimbursements (Sec. 26a)	Gross	(\$2,000,000)
<u>Executive</u> reduces reimbursement payments by \$2.0 million to a total of \$18.0 million to reflect the reduction in required payments due to both expiring renaissance zones and the impact of reimbursements for personal property tax reductions through the Local Community Stabilization Authority under PA 86 of 2014.	Restricted	(2,000,000)
<u>House and Senate</u> concur with Executive.	GF/GP	\$0
8. School Breakfast Programs (Sec. 31f)	Gross	\$2,000,000
<u>Executive</u> increases by \$2.0 million to a total of \$4.5 million to reflect actual FY 2015-16 costs. The initial FY 2016-17 appropriation had been reduced based on a one-time decline in required reimbursements in FY 2014-15.	Restricted	2,000,000
<u>House and Senate</u> concur with Executive.	GF/GP	\$0
9. Federal ESSA Grants (Sec. 39a)	Gross	(\$77,900,000)
<u>Executive</u> reduces Federal grants estimated under the Every Student Succeeds Act (ESSA) to reflect the following revised estimates for anticipated federal funds:	Federal	(77,900,000)
<ul style="list-style-type: none"> • \$30.0 million reduction in anticipated Title 1 grant funding bringing it to \$535.0 million. • \$6.6 million reduction in anticipated School Improvement Grants (SIG) to \$18.0 million. • \$40.5 million reduction in the Student Support and Academic Enrichment grants, which were newly added to the FY 2016-17 budget, down to a total of \$15.4 million. 	GF/GP	\$0
<u>House and Senate</u> concur with Executive.		
10. Special Education (Secs. 51a, 51c, 51d, 53a, 54, and 56)	Gross	(\$38,000,000)
<u>Executive</u> reduces by a total of \$38.0 million to reflect revised consensus cost estimates based on actual FY 2015-16 year-end special education cost data. Total estimated special education costs for FY 2016-17 are \$1.4 billion (\$945.0 million SAF, \$431.0 million Federal).	Federal	(10,000,000)
<u>House and Senate</u> concur with Executive.	Restricted	(28,000,000)
	GF/GP	\$0
11. Special Education Millage Equalization (Sec. 56)	Gross	\$0
<u>Executive</u> revises the equalization formula based on updated taxable values estimates. The special education millage equalization guarantee level is increased from \$179,600 to \$180,700.	Restricted	0
<u>House and Senate</u> revise to \$180,900.	GF/GP	\$0
12. Career and Technical Education (CTE) – Early/Middle College (Sec. 61b)	Gross	(\$1,000,000)
<u>Executive</u> maintains current law for funding to expand CTE early/middle colleges.	Restricted	(1,000,000)
<u>House</u> reduces appropriation by \$1.0 million to a total of \$8.0 million.	GF/GP	\$0
<u>Senate</u> concurs with Executive.		
13. Vocational Education Millage Equalization (Sec. 62)	Gross	\$0
<u>Executive</u> revises the equalization formula based on updated taxable values estimates. The vocational education millage equalization level is increased from \$196,300 to \$198,400.	Restricted	0
<u>House and Senate</u> concur with Executive.	GF/GP	\$0
14. Civic Education (Sec. 99c)	Gross	\$60,000
<u>Executive and House</u> do not include this section.	Restricted	0
<u>Senate</u> includes \$60,000 GF/GP for a competitive grant for the delivery of programs that exemplify best practices in civic education.	GF/GP	\$60,000

SCHOOL AID LINE ITEM SUMMARY



Sec.	SB 801 (PA 249) Enacted	Change from FY17 YTD	HB 4235 Revised Supplemental
11j	School Bond Redemption Fund	\$126,500,000	\$126,500,000
11m	Cash Flow Borrowing Costs	\$3,500,000	\$5,500,000
11s	Flint Declaration of Emergency	\$10,142,600	\$10,142,600
20f	Categorical Offset Payments	\$18,000,000	\$18,000,000
20g	Disseminated District Transition Grants	\$1,860,000	\$1,860,000
21	State School Reform/Redesign	\$5,000,000	\$5,000,000
21g	Competency Based Funding Pilot	\$500,000	\$500,000
21h	Partnership Model Districts - NEW	\$0	\$0
21j	Academic Early Warning Restricted Fund - NEW	\$0	\$0
22a	Foundations: Proposal A Obligation Payment	(\$5,000,000)	\$5,199,000,000
22b	Foundations: Discretionary Payment	\$18,000,000	\$3,918,000,000
22c	Isolated District Funding	\$5,000,000	\$5,000,000
22d	Consolidation Innovation Grants	\$3,000,000	\$3,000,000
22m	Technology Regional Data Hubs - NEW	\$0	\$0
22n	High School Per Pupil Bonus - NEW	\$0	\$0
23f	Shared Time Pupils - NEW	\$0	\$0
24	Court-Placed Pupils	\$8,000,000	\$8,000,000
24a	Juvenile Detention Facility Programs	\$1,328,100	\$1,328,100
24c	Youth Challenge Program	\$1,632,400	\$1,632,400
25f	Social Discipline Academy	\$750,000	\$750,000
25g	Dropout Recovery Programs	\$18,000,000	\$18,000,000
26a	Renaissance Zone Reimbursement	\$4,405,100	\$4,405,100
26b	PILT Reimbursement	\$1,000,000	\$1,000,000
26c	Promise Zone Funding	\$0	\$0
29	Declining Enrollment Support - NEW	\$778,988,200	\$778,988,200
31a	"At-Risk" Pupil Support	\$5,557,300	\$5,557,300
31a(7)	School Based Health Centers	\$5,150,000	\$5,150,000
31a(8)	Hearing and Vision Screening	\$300,000	\$300,000
31b	Year-round Instruction Grants	\$3,000,000	\$3,000,000
31c	Gang Prevention and Intervention Programs	\$22,495,100	\$22,495,100
31d	State School Lunch Programs	\$513,200,000	\$513,200,000
31f	School Breakfast Program	\$2,000,000	\$4,500,000
31h	Cooperative Education Grant	\$250,000	\$250,000
31j	Local Produce in School Meals	\$243,900,000	\$243,900,000
32d	Great Start Readiness Program	\$13,400,000	\$13,400,000
32p	Early Learning Cooperative	\$175,000	\$175,000
35	Early Literacy Implementation	\$1,000,000	\$1,000,000
35a(1)	Early Literacy District Grants	\$0	\$0
35a(2)	Early Literacy Professional Development	\$950,000	\$950,000
35a(3)	Early Literacy Diagnostic Tools	\$3,000,000	\$3,000,000
35a(4)	Early Literacy Teacher Coaches	\$17,500,000	\$17,500,000
35a(6)	Early Literacy - Michigan Education Corps	\$821,939,900	\$779,990,000
39a(2)	Other Federal Funding	\$30,800,000	\$30,800,000
41	Bilingual Education Grants	\$1,200,000	\$1,200,000
51a(1)	Special Education - Federal Reimbursement	\$271,600,000	\$271,600,000
51a(2)	Special Ed ISD Foundation and Costs	\$1,100,000	\$1,100,000
51a(3)	Special Ed ISD Hold Harmless Payment	\$2,200,000	\$2,200,000
51a(6)	Special Ed Admin Rules Changes	\$3,700,000	\$3,700,000
51a(11)	Special Ed Foundations for Non Sec. 52 to ISDs	\$644,500,000	\$644,500,000
51c	Special Ed Headlee Obligation (Durant)	\$1,000,000	\$1,000,000
51d	Special Education - Other Federal Grants	\$10,500,000	\$10,500,000
53a	Special Ed for Court Placed Pupils	\$1,688,000	\$1,688,000
54	Special Education Task Force Reforms (MIBLS)	\$1,125,000	\$1,125,000

Change from FY17 YTD	Exec Rec
(\$1,000,000)	\$125,500,000
\$3,500,000	\$6,500,000
(\$1,412,500)	\$8,730,100
\$18,000,000	\$18,000,000
(\$1,860,000)	\$0
(\$5,000,000)	\$5,000,000
(\$500,000)	\$0
\$3,000,000	\$3,000,000
(\$98,000,000)	\$5,107,000,000
\$50,000,000	\$3,950,000,000
(\$3,000,000)	\$5,000,000
\$22,000,000	\$2,200,000
\$60,000,000	\$60,000,000
\$10,900	\$1,339,000
(\$104,000)	\$1,528,400
(\$750,000)	\$0
(\$2,000,000)	\$18,000,000
\$500,000	\$4,405,100
\$7,000,000	\$7,000,000
\$150,000,000	\$228,988,200
\$5,557,300	\$5,557,300
\$1,500,000	\$5,150,000
(\$3,000,000)	\$3,000,000
\$22,495,100	\$22,495,100
\$10,000,000	\$523,200,000
\$2,000,000	\$4,500,000
(\$300,000)	\$0
(\$250,000)	\$0
\$243,900,000	\$243,900,000
\$13,400,000	\$13,400,000
(\$175,000)	\$0
\$25,400,000	\$25,400,000
(\$950,000)	\$950,000
(\$1,450,000)	\$1,450,000
\$3,000,000	\$6,000,000
(\$1,500,000)	\$17,500,000
(\$1,000,000)	\$0
(\$90,339,900)	\$731,600,000
(\$600,000)	\$30,800,000
\$1,200,000	\$1,200,000
(\$5,600,000)	\$266,000,000
(\$100,000)	\$1,000,000
(\$100,000)	\$2,200,000
(\$100,000)	\$3,600,000
\$0	\$0
(\$4,100,000)	\$640,400,000
(\$10,000,000)	\$61,000,000
\$1,688,000	\$1,688,000
\$475,000	\$1,600,000

Change from FY17 YTD	HB 4313 (H-1) House Passed
(\$1,000,000)	\$125,500,000
\$3,500,000	\$6,500,000
(\$1,412,500)	\$8,730,100
\$18,000,000	\$18,000,000
(\$1,860,000)	\$0
(\$5,000,000)	\$5,000,000
(\$499,500)	\$100
\$3,000,000	\$3,000,000
(\$27,000,000)	\$5,178,000,000
\$125,000,000	\$4,025,000,000
\$5,000,000	\$5,000,000
(\$2,000,000)	\$1,200,000
\$1,200,000	\$1,200,000
\$0	\$0
\$0	\$0
\$0	\$0
\$10,900	\$1,339,000
(\$104,000)	\$1,528,400
\$750,000	\$750,000
(\$2,000,000)	\$18,000,000
\$500,000	\$4,405,100
\$1,500,000	\$1,500,000
\$0	\$0
\$129,111,800	\$608,100,000
\$500,000	\$6,057,300
\$5,150,000	\$5,150,000
\$1,500,000	\$1,500,000
(\$3,000,000)	\$0
\$22,495,100	\$22,495,100
\$10,000,000	\$523,200,000
\$2,000,000	\$4,500,000
(\$300,000)	\$0
(\$250,000)	\$0
\$243,900,000	\$243,900,000
\$13,400,000	\$13,400,000
(\$175,000)	\$0
\$25,400,000	\$25,400,000
(\$950,000)	\$950,000
(\$1,450,000)	\$1,450,000
\$3,000,000	\$6,000,000
(\$1,500,000)	\$17,500,000
(\$1,000,000)	\$0
(\$90,339,900)	\$731,600,000
(\$800,000)	\$30,800,000
\$1,200,000	\$1,200,000
(\$5,600,000)	\$266,000,000
(\$100,000)	\$1,000,000
(\$100,000)	\$2,200,000
(\$100,000)	\$3,600,000
\$0	\$0
(\$4,100,000)	\$640,400,000
(\$10,000,000)	\$61,000,000
\$1,688,000	\$1,688,000
\$475,000	\$1,600,000

Change from FY17 YTD	SB 149 (S-1) Senate Passed
(\$1,000,000)	\$125,500,000
\$3,500,000	\$6,500,000
(\$1,412,500)	\$8,730,100
\$18,000,000	\$18,000,000
(\$1,860,000)	\$0
(\$500,000)	\$100
\$3,000,000	\$3,000,000
(\$29,000,000)	\$5,178,000,000
\$210,000,000	\$4,110,000,000
(\$3,000,000)	\$5,000,000
\$1,100,000	\$1,100,000
\$0	\$0
\$0	\$0
\$10,900	\$1,339,000
(\$104,000)	\$1,528,400
\$750,000	\$750,000
(\$2,000,000)	\$18,000,000
\$500,000	\$4,405,100
\$1,500,000	\$1,500,000
\$0	\$0
\$100,000,000	\$478,988,200
\$500,000	\$6,057,300
\$5,150,000	\$5,150,000
\$1,500,000	\$1,500,000
(\$3,000,000)	\$0
\$22,495,100	\$22,495,100
\$10,000,000	\$523,200,000
\$2,000,000	\$4,500,000
(\$300,000)	\$0
(\$250,000)	\$0
\$243,900,000	\$243,900,000
\$13,400,000	\$13,400,000
(\$175,000)	\$0
\$25,400,000	\$25,400,000
(\$950,000)	\$950,000
(\$1,450,000)	\$1,450,000
\$3,000,000	\$6,000,000
(\$1,500,000)	\$17,500,000
(\$1,000,000)	\$0
(\$90,339,900)	\$731,600,000
(\$800,000)	\$30,800,000
\$1,200,000	\$1,200,000
(\$5,600,000)	\$266,000,000
(\$100,000)	\$1,000,000
(\$100,000)	\$2,200,000
(\$100,000)	\$3,600,000
\$0	\$0
(\$4,100,000)	\$640,400,000
(\$10,000,000)	\$61,000,000
\$1,688,000	\$1,688,000
\$475,000	\$1,600,000

SCHOOL AID LINE ITEM SUMMARY



Sp. C.	SB 801 (PA 249) Enacted	Change from FY17 YTD	HB 4235 Revised Supplemental
55	\$150,000		\$150,000
56	\$37,758,100		\$37,758,100
61a	\$36,690,300		\$36,690,300
61b	\$9,090,000	(\$1,000,000)	\$8,090,000
61c	\$3,200,000		\$3,200,000
62	\$9,190,000		\$9,190,000
63	\$250,000		\$250,000
64b	\$1,750,000		\$1,750,000
64d(9a)			\$0
65	\$340,000		\$340,000
67	\$3,050,000		\$3,050,000
74	\$1,625,000		\$1,625,000
74	\$1,695,600		\$1,695,600
7b	\$0		\$0
61	\$67,108,000		\$67,108,000
94	\$250,000		\$250,000
94a	\$12,173,200		\$12,173,200
94a	\$193,500		\$193,500
95a	\$0		\$0
95b	\$0		\$0
95b	\$7,387,500		\$7,387,500
99c	\$0		\$0
99h	\$2,500,000		\$2,500,000
99k	\$0		\$0
99s(2)	\$1,050,000		\$1,050,000
99s(4)	\$2,750,000		\$2,750,000
99s(4)	\$5,249,300		\$5,249,300
99s(5)	\$250,000		\$250,000
99s(6)	\$250,000		\$250,000
99t	\$1,500,000		\$1,500,000
102d	\$1,500,000		\$1,500,000
104	\$33,894,400		\$33,894,400
104	\$6,250,000		\$6,250,000
104d	\$4,000,000		\$4,000,000
107	\$25,000,000		\$25,000,000
147a			\$0
147a(2)			\$0
147c	\$982,800,000		\$982,800,000
152a	\$38,000,500		\$38,000,500
152b	\$2,500,000		\$2,500,000
TOTAL APPROPRIATIONS	\$14,181,842,100	(\$104,400,000)	\$14,057,442,100

REVENUE BY SOURCE	
Federal Aid	\$1,726,943,500
School Aid Fund	\$12,288,145,200
Community District Trust Fund/Other Restricted Fund	\$72,000,100
General Fund/General Purpose	\$218,900,000
TOTAL REVENUE	\$14,287,705,500

FY 2017-18	
Change from FY17 YTD	Exec Rec
(\$150,000)	\$0
	\$37,758,100
(\$79,000)	\$36,611,300
	\$9,090,000
\$16,800,000	\$20,000,000
(\$250,000)	\$0
	\$1,750,000
	\$0
(\$340,000)	\$0
(\$50,000)	\$3,000,000
	\$1,625,000
\$9,700	\$1,705,300
\$4,500,000	\$4,500,000
	\$67,108,000
	\$250,000
\$4,042,800	\$16,216,000
	\$193,500
\$7,000,000	\$7,000,000
	\$0
	\$7,387,500
	\$0
	\$2,500,000
\$500,000	\$500,000
\$2,000,000	\$3,050,000
	\$2,750,000
(\$549,300)	\$4,700,000
(\$250,000)	\$0
(\$250,000)	\$0
(\$1,500,000)	\$0
(\$1,500,000)	\$0
(\$185,000)	\$33,709,400
	\$6,250,000
(\$4,000,000)	\$0
	\$25,000,000
	\$100,000,000
\$48,969,000	\$48,969,000
(\$22,016,000)	\$960,784,000
	\$38,000,500
(\$2,500,000)	\$0
\$140,246,700	\$14,302,088,800

(\$91,689,200)	\$1,726,943,500
\$235,835,900	\$12,288,145,200
(\$3,900,000)	\$72,000,100
\$140,246,700	\$14,302,088,800

FY 2017-18	
Change from FY17 YTD	HB 4313 (H-1) House Passed
(\$150,000)	\$0
	\$37,758,100
\$921,000	\$37,611,300
(\$9,090,000)	\$0
\$6,800,000	\$10,000,000
	\$9,190,000
(\$250,000)	\$0
	\$1,750,000
\$1,000,000	\$1,000,000
(\$340,000)	\$0
(\$50,000)	\$3,000,000
\$400,000	\$1,625,000
\$9,700	\$1,705,300
	\$0
\$1,000,000	\$67,108,000
\$750,000	\$250,000
\$1,042,800	\$13,216,000
	\$193,500
	\$0
	\$2,500,000
(\$887,500)	\$7,387,500
\$60,000	\$0
\$250,000	\$2,500,000
\$500,000	\$500,000
\$950,700	\$2,000,000
\$649,300	\$3,299,300
(\$549,300)	\$4,700,000
(\$250,000)	\$0
(\$100,000)	\$150,000
(\$300,000)	\$1,200,000
\$250,000	\$1,500,000
\$815,000	\$34,709,400
	\$6,250,000
\$1,000,000	\$5,000,000
\$2,500,000	\$27,500,000
(\$100,000,000)	\$0
\$48,969,000	\$48,969,000
(\$22,016,000)	\$960,784,000
	\$38,000,500
\$125,863,400	\$14,309,450,700

(\$91,689,200)	\$1,726,943,500
\$243,197,800	\$12,288,145,200
(\$3,900,000)	\$72,000,100
\$147,608,600	\$14,309,450,700

FY 2017-18	
Change from FY17 YTD	SB 149 (S-1) Senate Passed
	\$150,000
	\$37,758,100
	\$36,690,300
	\$9,090,000
\$4,300,000	\$7,500,000
(\$250,000)	\$9,190,000
	\$0
	\$1,750,000
\$2,300,000	\$2,300,000
	\$340,000
(\$50,000)	\$3,000,000
\$400,000	\$2,025,000
\$9,700	\$1,705,300
	\$0
\$1,000,000	\$67,108,000
\$750,000	\$1,000,000
\$1,042,800	\$13,216,000
	\$193,500
	\$0
	\$2,500,000
(\$887,500)	\$7,387,500
\$60,000	\$0
\$250,000	\$2,500,000
\$500,000	\$500,000
\$950,700	\$2,000,000
\$649,300	\$3,299,300
(\$549,300)	\$4,700,000
(\$250,000)	\$0
(\$100,000)	\$150,000
(\$300,000)	\$1,200,000
\$250,000	\$1,500,000
\$815,000	\$34,709,400
	\$6,250,000
\$1,000,000	\$5,000,000
\$2,500,000	\$27,500,000
(\$100,000,000)	\$0
\$48,969,000	\$48,969,000
(\$22,016,000)	\$960,784,000
	\$38,000,500
\$125,863,400	\$14,287,705,500

(\$91,689,200)	\$1,726,943,500
\$241,452,600	\$12,288,145,200
(\$2,900,000)	\$72,000,100
\$125,963,400	\$14,287,705,500

2017–18 **BUSINESS MANAGER ACADEMY**



“Engage through knowledge, application, and mentorship.”

Pilot program host sites:

- *Kent ISD*
- *Eastern Upper Peninsula ISD*

What is the Business Manager Academy?

MSBO has partnered with experienced past and present business managers to share their knowledge and experience in school finance. The Academy is designed for those who want to gain in-depth, practical, “hands-on” working knowledge in school finance. Coupled with individual mentoring opportunities, the program will assist participants in their positions, and as part of an overall school district administrative team.

The Academy consists of:

- 🔧 11 class sessions
- 🔧 Online technical content provided for advanced self-study
- 🔧 Facilitated “in-person” work sessions designed to foster skills through “real-world” case examples
- 🔧 Individual mentoring opportunities to allow for personalized professional support
- 🔧 College and MSBO certification credit available
- 🔧 Specific class dates and times will be developed in cooperation with host site to avoid regional meeting conflicts. All meals, materials and supplies included.

Topics for discussion include:

- 🔧 Budgeting and audit
- 🔧 Cash Flow and Borrowing
- 🔧 Working relations with unions, board members, superintendent, staff, and public including presentations, communication, and navigating various political situations in ways that allow the district to move forward.
- 🔧 Auditing and accounting topics
- 🔧 Negotiating collective bargaining agreements
- 🔧 Facilities, Transportation, and Technology and Curriculum Topics
- 🔧 Working with outside agencies and government organizations
- 🔧 Other topics as brought forth from participants or related to current issues

Academy begins September 2017.

BUSINESS MANAGER ACADEMY



2017–18 Application

Applicant Criteria

- ✦ Minimum of a Bachelor's degree or higher with a preferred emphasis in accounting and finance
- ✦ Member in good standing with MSBO
- ✦ Ability to commit to attend 11 "in-person" sessions and participate in a curriculum based on self-study, group work and mentoring
- ✦ Submit Application with Letter of Commitment
- ✦ Submit 2 letters of recommendation focused on leadership attributes of applicant
- ✦ 11 partial day training sessions between September and July. Dates tailored to the region in cooperation with the host site and local regional business manager group.
- ✦ Self-study requirements prior to meeting sessions.
- ✦ Interactive in-person sessions with general discussion, group work, and presentation.
- ✦ "One-on-One" mentoring opportunities for participants.
- ✦ Personalized feedback on additional opportunities for development.
- ✦ This fulfills the Group Solutions requirement for CFO & BOM certification renewal.

Program Fees

\$950 fee includes all course materials, refreshment breaks and meals. You will be responsible for overnight accommodations (if needed) and travel expenses.

Accepted applicants will be invoiced. SCECHs will be awarded pending approval.

Participant Information

Name: _____ City/State/Zip: _____
Title/Position: _____ Phone #: _____
District: _____ Fax #: _____
Address: _____ E-mail: _____



Short Answer Questions

(You may attach additional pages.)

1. Please provide a biographical statement that includes:

- Professional credentials (including degrees)
- Current job duties
- Professional experience related to school finance (Attach professional resume if available)

2. List three professional goals you have related to school finance. What are your expectations of the Business Manager Academy in helping you achieve these goals?



Short Answer Questions

(You may attach additional pages.)

3. What school finance related issues would you like to gain greater knowledge or understanding of?

4. As a participant of the Business Manager Academy, great emphasis is placed on participation and preparedness. Please explain how you will prepare and commit to the program if you are selected to participate.

Email, fax or mail application by July 30, 2017

MSBO
ATTN: Robert Dwan
1001 Centennial Way, Suite 200
Lansing, MI 48917

E-mail: rdwan@msbo.org

Fax: 517.327.0768

Questions? Contact: Robert Dwan; 517.327.5281; rdwan@msbo.org



2017–18 Commitment Form

BUSINESS MANAGER ACADEMY

As a participant of the MSBO Business Manager Academy, you will be engaged in intense discussion and a rigorous curriculum designed to instill greater knowledge and skills in topics related to school finance. This program is focused on top level finance position responsibilities and the application of work concepts. Our expectation is that you will participate in self-study, group discussions, small group projects, and actively accept professional advice and feedback from peers and mentors. Our goal is to provide a convenient, creative and active learning environment that complements your professional needs and prepares you for success in a “C-suite” position.

To get the full benefit of the experience, we need each participant to be fully engaged throughout the program. Please read this overview of what is expected in the MSBO Business Manager Academy and sign this commitment to being an active participant.

I understand it is a one-year commitment and I will:

- Attend 11 regionally based MSBO Business Manager Academy sessions
Dates in cooperation with local host and regional group
- Prepare in advance of sessions through “Self-Study” assignments
- Actively participate in group discussion and small group projects
- Participate in one-on-one mentoring as needed
- Provide/Accept professional advice and feedback to/from peers and mentors

Applicant Signature _____ Date _____

Superintendent Endorsement

Your signature provides your support and ensures your employee's release time for full participation in the MSBO Business Manager Academy. The ability to fully participate in the program activities which include 11 “in-person” training sessions, self-study, group work and mentoring is essential to the success of the participant.

Superintendent _____ Date _____