

**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)
Gross	14,584,313,900	14,635,968,800	51,654,900	0.4

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.

Major Budget Changes From FY 2017-18 Year-to-Date (YTD) Appropriations	FY 2017-18 YTD (as of 2/8/18)	Executive Change from YTD
1. Foundation Allowances (Secs. 22a and 22b) 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%).	Gross \$9,219,300,000 Restricted 9,073,560,500 GF/GP \$145,739,500	\$312,000,000 447,611,700 (\$135,611,700)
2. Shared-Time Instruction for Nonpublic Pupils (Sec. 23f) – NEW 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.)	Gross N/A Restricted N/A GF/GP N/A	(\$68,000,000) (68,000,000) \$0
3. Foundation Allowances – Cyber Schools Reduction (Secs. 22a and 22b) 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.	Gross N/A Restricted N/A GF/GP N/A	(\$25,000,000) (25,000,000) \$0
4. Career and Technical Education (CTE) Skilled Trades Initiative (Sec. 61c) 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).	Gross \$12,500,000 Restricted 0 GF/GP \$12,500,000	(\$12,500,000) 0 (\$12,500,000)
5. CTE Per Pupil Incentive Payment (Sec. 61d) – NEW 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.)	Gross \$0 Restricted 0 GF/GP \$0	\$5,000,000 5,000,000 \$0
6. Flint Declaration of Emergency (Sec. 11s) 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).	Gross \$8,730,100 Restricted 0 GF/GP \$8,730,100	(\$5,500,000) 0 (\$5,500,000)

Major Budget Changes From FY 2017-18 Year-to-Date (YTD) Appropriations		FY 2017-18 YTD (as of 2/8/18)	Executive Change from YTD
7. Partnership Models (Sec. 21h)	Gross	\$6,000,000	\$2,000,000
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
8. At Risk Program (Sec. 31a)	Gross	\$499,000,000	\$0
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
9. Early Literacy Implementation (Sec. 35)	Gross	\$1,000,000	(\$1,000,000)
Reduces by \$1.0 million GF/GP to move to the MDE budget.	Restricted	0	0
	GF/GP	\$1,000,000	(\$1,000,000)
10. Special Education (Secs. 51a, 51c, 51d, 53a, 54, and 56)	Gross	\$1,387,746,100	\$23,100,000
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
11. Special Ed Task Force: Mediation and Parental Supports (Sec. 54c) – NEW	Gross	\$0	\$500,000
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
12. Special Ed Task Force: Early On (Sec. 54d) – NEW	Gross	\$0	\$5,000,000
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
13. FIRST Robotics (Sec. 99h)	Gross	\$2,800,000	(\$300,000)
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)
14. MiSTEM Centers Reorganization (Secs. 99r and 99s)	Gross	\$12,784,300	(\$1,350,000)
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)
15. Education Assessments (Sec. 104)	Gross	\$40,959,400	(\$3,700,000)
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
16. MPSERS Payments (Secs. 147a, 147c, and 147e)	Gross	\$1,332,853,000	(\$74,414,000)
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)
• Eliminates a one-time \$200.0 million additional deposit to accelerate the payoff of the 2010 early retirement incentive. (Sec.147c(2))	GF/GP	\$683,000	\$65,000
• Increases state share of UAAL payments by \$71.9 million. (Sec. 147c(1))			
• 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))			
• Increases state support of higher defined contribution and hybrid plan costs required under PA 92 of 201 by \$14.5 million. (Sec. 147e)			

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

		<u>FY 2017-18</u>
		<u>Recommendation</u>
1. GF/GP and SAF Revenue Shift	Gross	\$0
Includes a fund shift of \$137.0 million reducing GF/GP from \$215.0 million to \$78.0 million and replacing it with SAF.	Restricted	137,000,000
	GF/GP	(\$137,000,000)
2. Cash Flow Borrowing (Sec. 11m)	Gross	\$11,500,000
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.	Restricted	11,500,000
	GF/GP	\$0
3. Foundation Allowances (Secs. 22a and 22b)	Gross	(\$24,300,000)
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.	Restricted	(24,300,000)
	GF/GP	\$0
4. Special Education (Secs. 51a, 51c, 51d, 53a, 54, and 56)	Gross	\$3,200,000
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.	Restricted	3,200,000
	GF/GP	\$0
5. Renaissance Zone Reimbursements (Secs. 26a)	Gross	(\$2,000,000)
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.	Restricted	(2,000,000)
	GF/GP	\$0
6. School Lunch Programs (Sec. 31d)	Gross	\$306,900
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.	Restricted	306,900
	GF/GP	\$0
7. Promise Zone Funding (Sec. 26c)	Gross	\$100,000
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.	Restricted	100,000
	GF/GP	\$0

SCHOOL AID LINE ITEM SUMMARY



Sec.	
11j	School Bond Redemption Fund
11m	Cash Flow Borrowing Costs
11s	Flint Declaration of Emergency
20f	Categorical Offset Payments
21h	Partnership Model Districts
21j	Competency-Based Education District Grants
22a	Foundations: Proposal A Obligation Payment
22b	Foundations: Discretionary Payment
22d	Isolated District Funding
22m	Technology Regional Data Hubs
22n	High School Per Pupil Bonus
23f	Shared Time Pupils - NEW
24	Court-Placed Pupils
24a	Juvenile Detention Facility Programs
24c	Youth ChalleNge Program
25f	Strict Discipline Academy
25g	Dropout Recovery Programs
26a	Renaissance Zone Reimbursement
26b	PILT Reimbursement
26c	Promise Zone Funding
31a	"At Risk" Pupil Support
31a(7)	School Based Health Centers
31a(8)	Hearing and Vision Screening
31b	Year-round Instruction Grants
31d	State School Lunch Programs
31d	Federal School Lunch Programs
31f	School Breakfast Program
31j	Local Produce in School Meals
32d	Great Start Readiness Program
32p	Early Childhood Block Grants
32q	Early Learning Cooperative
35	Early Literacy Implementation
35a(4)	Early Literacy Teacher Coaches
35a(5)	Early Literacy Added Instructional Time
35a(6)	Early Literacy - Michigan Education Corps
39a(1)	Federal NCLB/ESSA Grant Funds
39a(2)	Other Federal Funding
41	English Language Learner Grants
51a(1)	Special Education - Federal Reimbursement
51a(2)	Special Ed ISD Foundation and Costs
51a(3)	Special Ed ISD Hold Harmless Payment
51a(6)	Special Ed Admin Rules Changes
51a(11)	Special Ed Foundations for Non Sec. 52 to ISDs
51a(16)	Special Ed ISD Compliance Reimbursement
51c	Special Ed Headlee Obligation (Durant)
51d	Special Education - Other Federal Grants
53a	Special Ed for Court Placed Pupils
54	Special Ed Michigan School Blind/Deaf
54b	Special Education Task Force Reforms (MiBLSI)
54c	Spec. Ed. Task Force - Mediation and Parental Supports - NEW
54d	Spec. Ed. Task Force - Early On - NEW
55	Conductive Learning Study
56	Special Ed ISD Millage Equalization
61a	Career & Tech Ed Programs
61b	Career & Tech Ed Early/Middle College
61c	Career & Tech Ed Equipment Upgrades
61d	CTE Incentive Payment - NEW
62	ISD Career & Tech Ed Millage Equalization

FY 2017-18		
YTD PA 143 of 2017 Supplemental	Change from YTD	FY 18 Exec Revised
\$125,500,000		\$125,500,000
\$6,500,000	\$11,500,000	\$18,000,000
\$8,730,100		\$8,730,100
\$18,000,000		\$18,000,000
\$6,000,000		\$6,000,000
\$500,000		\$500,000
\$5,181,800,000	(\$5,800,000)	\$5,176,000,000
\$4,037,500,000	(\$18,500,000)	\$4,019,000,000
\$5,000,000		\$5,000,000
\$2,200,000		\$2,200,000
\$11,000,000		\$11,000,000
\$0		\$0
\$8,000,000		\$8,000,000
\$1,339,000		\$1,339,000
\$1,528,400		\$1,528,400
\$750,000		\$750,000
\$750,000		\$750,000
\$17,000,000	(\$2,000,000)	\$15,000,000
\$4,405,100		\$4,405,100
\$1,500,000	\$100,000	\$1,600,000
\$499,000,000		\$499,000,000
\$6,057,300		\$6,057,300
\$5,150,000		\$5,150,000
\$1,500,000		\$1,500,000
\$22,495,100	\$306,900	\$22,802,000
\$523,200,000		\$523,200,000
\$4,500,000		\$4,500,000
\$375,000		\$375,000
\$243,900,000		\$243,900,000
\$13,400,000		\$13,400,000
\$175,000		\$175,000
\$1,000,000		\$1,000,000
\$6,000,000		\$6,000,000
\$20,900,000		\$20,900,000
\$2,500,000		\$2,500,000
\$731,600,000		\$731,600,000
\$30,000,000		\$30,000,000
\$6,000,000		\$6,000,000
\$370,000,000		\$370,000,000
\$264,200,000	\$2,200,000	\$266,400,000
\$1,000,000		\$1,000,000
\$2,200,000		\$2,200,000
\$3,600,000	(\$300,000)	\$3,300,000
\$500,000		\$500,000
\$635,300,000	\$1,300,000	\$636,600,000
\$61,000,000		\$61,000,000
\$10,500,000		\$10,500,000
\$1,688,000		\$1,688,000
\$1,600,000		\$1,600,000
\$0		\$0
\$0		\$0
\$150,000		\$150,000
\$37,758,100		\$37,758,100
\$37,850,300		\$37,850,300
\$8,000,000		\$8,000,000
\$12,500,000		\$12,500,000
\$0		\$0
\$9,190,000		\$9,190,000

FY 2018-19	
Change from FY 18 YTD	FY 19 Exec
	\$125,500,000
\$17,500,000	\$24,000,000
(\$5,500,000)	\$3,230,100
	\$18,000,000
\$2,000,000	\$8,000,000
(\$500,000)	\$0
(\$133,800,000)	\$5,048,000,000
\$191,100,000	\$4,228,600,000
	\$5,000,000
	\$2,200,000
	\$11,000,000
\$64,100,000	\$64,100,000
	\$8,000,000
\$16,700	\$1,355,700
\$17,000	\$1,545,400
	\$750,000
	\$750,000
(\$2,000,000)	\$15,000,000
	\$4,405,100
\$1,500,000	\$3,000,000
	\$499,000,000
	\$6,057,300
	\$5,150,000
(\$1,500,000)	\$0
\$648,900	\$23,144,000
	\$523,200,000
	\$4,500,000
(\$375,000)	\$0
	\$243,900,000
	\$13,400,000
(\$175,000)	\$0
(\$1,000,000)	\$0
	\$6,000,000
	\$20,900,000
(\$2,500,000)	\$0
(\$1,000,000)	\$730,600,000
	\$30,000,000
	\$6,000,000
	\$370,000,000
\$7,900,000	\$272,100,000
\$100,000	\$1,100,000
	\$2,200,000
(\$200,000)	\$3,400,000
	\$500,000
\$15,300,000	\$650,600,000
	\$61,000,000
	\$10,500,000
	\$1,688,000
	\$1,600,000
\$500,000	\$500,000
\$5,000,000	\$5,000,000
(\$150,000)	\$0
	\$37,758,100
(\$1,239,000)	\$36,611,300
	\$8,000,000
(\$12,500,000)	\$0
\$5,000,000	\$5,000,000
	\$9,190,000

FY 2019-20	
Change from FY 19 Exec	FY 20 Exec
	\$125,500,000
\$7,000,000	\$31,000,000
(\$3,230,100)	\$0
	\$18,000,000
(\$2,000,000)	\$6,000,000
\$0	\$0
(\$63,000,000)	\$4,985,000,000
(\$9,600,000)	\$4,219,000,000
	\$5,000,000
	\$2,200,000
	\$11,000,000
	\$64,100,000
	\$8,000,000
	\$1,355,700
	\$1,545,400
	\$750,000
	\$750,000
	\$15,000,000
	\$4,405,100
	\$3,000,000
	\$499,000,000
	\$6,057,300
	\$5,150,000
	\$0
\$347,000	\$23,491,000
	\$523,200,000
	\$4,500,000
	\$0
	\$243,900,000
	\$13,400,000
	\$0
	\$0
	\$6,000,000
	\$20,900,000
	\$0
(\$5,000,000)	\$725,600,000
	\$30,000,000
	\$6,000,000
	\$370,000,000
\$5,900,000	\$278,000,000
	\$1,100,000
	\$2,200,000
(\$200,000)	\$3,200,000
	\$500,000
\$14,400,000	\$665,000,000
	\$61,000,000
	\$10,500,000
	\$1,688,000
	\$1,600,000
	\$500,000
	\$5,000,000
	\$0
	\$37,758,100
	\$36,611,300
	\$8,000,000
	\$0
	\$5,000,000
	\$9,190,000

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
64b	Dual Enrollment Incentive Payments	\$1,750,000		\$1,750,000		\$1,750,000		\$1,750,000
64d	Information Technology Certifications	\$2,300,000		\$2,300,000		\$0		\$0
65	Detroit PreCollege Engineering	\$340,000		\$340,000	(\$340,000)	\$0		\$0
67	Career and College Readiness Tools	\$3,000,000		\$3,000,000		\$3,000,000		\$3,000,000
67a	Online Career Preparation	\$1,000,000		\$1,000,000	(\$1,000,000)	\$0		\$0
74	School Bus Driver Safety Instruction	\$2,025,000		\$2,025,000		\$2,025,000		\$2,025,000
74	School Bus Inspections	\$1,705,300		\$1,705,300	\$24,600	\$1,729,900		\$1,729,900
81	ISD General Operations Support	\$67,108,000		\$67,108,000		\$67,108,000		\$67,108,000
94	Advanced Placement (AP) Incentive Program	\$750,000		\$750,000		\$750,000		\$750,000
94a	Center for Educational Performance and Information	\$16,216,000		\$16,216,000	\$140,700	\$16,356,700		\$16,356,700
94a	Center for Educational Performance and Info - Federal	\$193,500		\$193,500		\$193,500		\$193,500
95b	Statewide Evaluation Tool	\$2,500,000		\$2,500,000	(\$2,500,000)	\$0		\$0
98	Michigan Virtual University	\$7,387,500		\$7,387,500		\$7,387,500		\$7,387,500
99h	FIRST Robotics	\$2,800,000		\$2,800,000	(\$300,000)	\$2,500,000		\$2,500,000
99k	Cyber Security Competitions	\$500,000		\$500,000	(\$500,000)	\$0		\$0
99r	MISTEM Staff	\$250,000		\$250,000	\$150,000	\$400,000		\$400,000
99s(2)(3)	MISTEM Council and Grants - Council	\$2,900,000		\$2,900,000	\$50,000	\$2,950,000		\$2,950,000
99s(4)	MISTEM Grants - Math and Science Centers - State	\$3,299,300		\$3,299,300	(\$3,299,300)	\$0		\$0
99s(4)	MISTEM Grants - Math and Science Centers - Federal	\$4,700,000		\$4,700,000	(\$1,200,000)	\$3,500,000		\$3,500,000
99s(5)(6)	MISTEM Centers Transition	\$1,485,000		\$1,485,000	\$3,099,300	\$4,584,300		\$4,584,300
99s(6)	MISTEM Grants - Van Andel Education Institute	\$150,000		\$150,000	(\$150,000)	\$0		\$0
99t	Online Algebra Tool	\$1,100,000		\$1,100,000	(\$1,100,000)	\$0		\$0
99u	Online Mathematics Tool	\$1,000,000		\$1,000,000	(\$1,000,000)	\$0		\$0
102d	Financial Data Analysis Tools	\$1,500,000		\$1,500,000	(\$1,500,000)	\$0		\$0
104	Education Assessments - State	\$34,709,400		\$34,709,400	(\$3,700,000)	\$31,009,400		\$31,009,400
104	Education Assessments - Federal	\$6,250,000		\$6,250,000		\$6,250,000		\$6,250,000
104d	Computer Adaptive Test	\$4,000,000		\$4,000,000	(\$4,000,000)	\$0		\$0
104e	Digital Learning Prep	\$250,000		\$250,000	(\$250,000)	\$0		\$0
107	Adult Education	\$27,000,000		\$27,000,000		\$27,000,000		\$27,000,000
147a	MPSERS Cost Offset	\$100,000,000		\$100,000,000		\$100,000,000		\$100,000,000
147a(2)	MPSERS Normal Cost Offset	\$48,969,000		\$48,969,000	\$39,170,000	\$88,139,000		\$88,139,000
147c(1)	MPSERS State Share of Unfunded Liability Payments	\$960,784,000		\$960,784,000	\$71,916,000	\$1,032,700,000	\$35,800,000	\$1,068,500,000
147c(2)	MPSERS One-time Unfunded Liability Payment	\$200,000,000		\$200,000,000	(\$200,000,000)	\$0		\$0
147e	MPSERS SB 401 Added Costs	\$23,100,000		\$23,100,000	\$14,500,000	\$37,600,000	\$14,200,000	\$51,800,000
152a	Adair - Database Payment	\$38,000,500		\$38,000,500		\$38,000,500		\$38,000,500
152b	Nonpublic School Reimbursement	\$2,500,000		\$2,500,000	(\$2,500,000)	\$0		\$0
TOTAL APPROPRIATIONS		\$14,584,313,900	(\$11,193,100)	\$14,573,120,800	\$51,654,900	\$14,635,968,800	(\$5,383,100)	\$14,630,585,700
REVENUE BY SOURCE								
Federal Aid		\$1,726,943,500	\$0	\$1,726,943,500	(\$2,200,000)	\$1,724,743,500	(\$5,000,000)	\$1,719,743,500
School Aid Fund		\$12,547,270,300	\$125,806,900	\$12,673,077,200	\$215,054,900	\$12,762,325,200	\$31,517,000	\$12,793,842,200
MPSERS retirement obligation reform Reserve Fund		\$23,100,000	\$0	\$23,100,000	\$8,800,000	\$31,900,000	(\$31,900,000)	\$0
Community District Trust Fund/Other Restricted Fund		\$72,000,100	\$0	\$72,000,100	\$0	\$72,000,100	(\$100)	\$72,000,000
General Fund/General Purpose		\$215,000,000	(\$137,000,000)	\$78,000,000	(\$170,000,000)	\$45,000,000	\$0	\$45,000,000
TOTAL REVENUE		\$14,584,313,900	(\$11,193,100)	\$14,573,120,800	\$51,654,900	\$14,635,968,800	(\$5,383,100)	\$14,630,585,700

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

	Enacted	Exec Revised	Exec	Exec
	FY 2017-18	FY 2017-18	FY 2018-19	FY 2019-20
TOTAL BEGINNING BALANCE	\$377.4	\$377.4	\$91.9	(\$13.7)
ESTIMATED REVENUE				
SCHOOL AID FUND (SAF) REVENUE				
Jan 2018 Revenue Estimates - CREC	\$13,084.5	\$13,084.5	\$13,464.0	\$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)
Subtotal: SAF Revenue	\$13,079.2	\$13,079.2	\$13,447.4	\$13,788.2
OTHER REVENUE ADJUSTMENTS				
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	\$1,726.9	\$1,726.9	\$1,724.7	\$1,719.7
Prior Year Adjustments	\$0.0	\$0.0	\$0.0	\$0.0
Subtotal: Other Revenue	\$2,037.0	\$1,900.0	\$1,873.6	\$1,836.7
TOTAL REVENUE	\$15,116.2	\$14,979.2	\$15,321.0	\$15,624.9
ESTIMATED EXPENDITURES				
ESTIMATED SCHOOL AID EXPENDITURES				
Ongoing Baseline	\$14,584.3	\$14,584.3	\$14,636.0	\$14,630.6
HB 5093 (LaFave-MPSERS DC fix)	\$2.0	\$0.0		
FY 17 Lapse, FY 18 Consensus Cost Revisions	(\$9.5)	(\$11.2)		
Subtotal: SCHOOL AID EXPENDITURES	\$14,576.8	\$14,573.1	\$14,636.0	\$14,630.6
SAF Deposit into MPSERS Reserve	\$55.0	\$55.0		
Community Colleges	\$398.3	\$398.3	\$405.0	\$407.7
Higher Education	\$238.3	\$238.3	\$385.6	\$386.6
Subtotal: Post Secondary Expenditures	\$636.6	\$636.6	\$790.6	\$794.3
TOTAL EXPENDITURES	\$15,268.4	\$15,264.7	\$15,426.6	\$15,424.9
Current Year: Revenues - Expenditures	(\$152.2)	(\$285.5)	(\$105.6)	\$200.0
TOTAL ENDING BALANCE	\$225.2	\$91.9	(\$13.7)	\$186.3