

SCHOOL AID: FYs 2011-12 and 2012-13
Summary: As Reported from House Subcommittee
House Bill 4280 (H-1) Draft 4



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	FY 2010-11 Year-to-Date as of 2/17/11	FY 2011-12 House	Difference: FY 2011-12 Vs. FY 2010-11		FY 2012-13 House	Difference: FY 2012-13 Vs. FY 2011-12	
			Amount	%		Amount	%
IDG/IDT	\$0	\$0	\$0	--	\$0	\$0	--
Federal							
ARRA	500,526,900	0	(500,526,900)	(100.0)	0	0	--
Non-ARRA	1,677,806,400	1,653,331,800	(24,474,600)	(1.5)	1,653,331,800	0	--
Local	0	0	0	--	0	0	--
Private	0	0	0	--	0	0	--
Restricted	10,937,260,500	10,111,241,600	(826,018,900)	(7.6)	10,143,345,000	32,103,400	0.3
GF/GP	18,642,400	411,172,700	392,530,300	2,105.6	343,872,700	(67,300,000)	(16.4)
Gross	\$13,134,236,200	\$12,175,746,100	(\$958,490,100)	(7.3)	\$12,140,549,500	(\$35,196,600)	(0.3)

Notes: (1) FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011. (2) "ARRA" represents temporary funds received under the federal American Recovery and Reinvestment Act or related sources.

Overview

The School Aid budget makes appropriations to the state's 551 local school districts, 247 public school academies, and 57 intermediate school districts (ISDs) for operations and certain categorical programs. It also appropriates funds to the Center for Education Performance and Information, Department of Energy, Labor and Economic Growth, and other entities to implement certain grants and other programs related to K-12 education.

		House Changes	
		FY 2010-11 YTD (as of 2/17/11)	FY 2010-11 to FY 2011-12 FY 2011-12 to FY 2012-13
Major Budget Changes From FY 2010-11 YTD Appropriations			
1. Per Pupil Reduction of \$170 (Sec. 11d)		Gross (\$268,590,300)	\$268,590,300 \$0
<u>Executive</u> rolls the per pupil reduction under this section into a permanent reduction of each district's foundation allowance under Sec. 20.		Restricted (268,590,300)	268,590,300 0
<u>House</u> concurs with Executive.			
2. Proposal A Obligation Payment (Sec. 22a)		Gross \$5,764,000,000	(\$82,000,000) (\$80,000,000)
<u>Executive</u> reduces funding for FY 2011-12 by \$81.5 million to incorporate estimates in taxable values and pupil memberships. Also reflects the elimination of Sec. 6(4)(y), a declining enrollment grant which allows certain districts to use a 3-year average membership count for foundation payment purposes as opposed to the statutory one-year blend. Assumes taxable value changes and further pupil declines of 18,000 for FY 2012-13, which saves an additional \$92.0 million.		Restricted 5,764,000,000	(82,000,000) (80,000,000)
<u>House</u> reduces funding for FY 2011-12 by \$82.0 million to incorporate cost estimates and to eliminate Sec. 6(4)(y) declining enrollment grants. Assumes further savings of \$80.0 million in FY 2012-13.			

		House Changes			
<u>Major Budget Changes From FY 2010-11 YTD Appropriations</u>		<u>FY 2010-11 YTD (as of 2/17/11)</u>	<u>FY 2010-11 to FY 2011-12</u>	<u>FY 2011-12 to FY 2012-13</u>	
3. Discretionary Payment (Sec. 22b)		Gross	\$3,757,756,600	(\$746,756,600)	(\$4,000,000)
<u>Executive</u> reduces funding by \$563.8 million in state funds and \$184.3 in Federal ARRA funds for a total decrease in overall funding of \$748.0 million from the current year to adjust for the \$470 per pupil reduction in foundation allowance payments, the elimination of district specific foundation allowance adjustments (which range from an additional \$88 to \$1,173 per pupil, See <i>Major Boilerplate Changes, Section 20, Below</i>) and for estimated changes in taxable values and pupil estimates. FY 2012-13 estimates adjust for estimated taxable value and pupil changes in the following year.		ARRA	184,256,600	(184,256,600)	0
<u>House</u> reduces funding by \$562.5 million in state funds along with the elimination of Federal ARRA funds for a total reduction of \$746.8 million. Reduces the foundation allowance for each district by an amount equal to 3.9% times the district's foundation allowance in FY 2010-11 or the basic foundation allowance, whichever is less, and then further reduces it by \$170 per pupil to roll in the Sec. 11d reductions.		Restricted	3,573,500,000	(562,500,000)	(4,000,000)
4. School Bond Redemption Fund (Sec. 11j)		Gross	\$5,167,800	\$88,407,500	(\$3,996,600)
<u>Executive</u> increases by \$88.4 million to pay for increased interest payments. (FY 2010-11 costs were reduced from \$45.1 million due to one-time refinancing savings.) FY 2012-13 figures reflect estimated cost changes for the following year.		Restricted	5,167,800	88,407,500	(3,996,600)
<u>House</u> concurs with Executive.					
5. Cash Flow Borrowing Costs (Sec. 11m)		Gross	\$45,000,000	(\$25,000,000)	\$10,000,000
<u>Executive</u> decreases costs to reflect anticipated lower interest rates for short-term borrowing costs related to the State School Aid Fund. FY 2012-13 costs are adjusted for anticipated increases.		Restricted	45,000,000	(25,000,000)	10,000,000
<u>House</u> concurs with Executive.					
6. Federal Education Jobs (EdJobs) Funds (Sec. 11p)		Gross	\$316,270,300	(\$316,270,300)	\$0
<u>Executive</u> eliminates one-time federal EdJobs funding which was distributed to districts based on the 2x formula with amounts ranging from \$111 to \$222 per pupil and to intermediate school districts based on a percentage of their Sec. 81 payments.		Federal	316,270,300	(316,270,300)	0
<u>House</u> concurs with Executive.					
7. Isolated and Rural District Grants (Sec. 22d)		Gross	\$2,025,000	(\$2,025,000)	\$0
<u>Executive</u> eliminates funding for the two grant programs targeted at small, rural districts.		Restricted	2,025,000	(2,025,000)	0
<u>House</u> concurs with Executive.					
8. Michigan Business Tax (MBT) Impact on Out of Formula District Grants (Sec. 22e)		Gross	\$1,800,000	(\$1,800,000)	\$0
<u>Executive</u> eliminates funding which held out-of-formula districts harmless from local personal property tax exemptions when the MBT was created.		Restricted	1,800,000	(1,800,000)	0
<u>House</u> concurs with Executive.					
9. DHS Juvenile Detention Facilities (Sec. 24a)		Gross	\$1,440,000	(\$242,500)	\$0
<u>Executive</u> decrease costs of education for students held in Department of Human Service (DHS) juvenile detention facilities due to facility closures and therefore fewer pupils.		Restricted	1,440,000	(242,500)	0
<u>House</u> concurs with Executive.					

		House Changes		
Major Budget Changes From FY 2010-11 YTD Appropriations		FY 2010-11 YTD (as of 2/17/11)	FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13
10. Youth Challenge Program (Sec. 24c)	Gross	\$742,300		\$0
<u>Executive</u> decreases by \$97,000 to reflect actual FY 2010-11 grant award for the Youth Challenge program, a residential disciplinary program for at-risk youth, run by the Department of Military and Veterans Affairs department in Battle Creek.	Restricted	742,300	(\$97,500) (97,500)	0
<u>House</u> concurs with Executive.				
11. Payment in Lieu of Taxes Reimbursement (Sec. 26b)	Gross	\$3,400,000		\$0
<u>Executive</u> decreases payments to reflect lower property values.	Restricted	3,400,000	(\$510,000) (510,000)	0
<u>House</u> concurs with Executive.				
12. Declining Enrollment Grants (Sec. 29)	Gross	\$20,000,000		\$0
<u>Executive</u> eliminates funding for this grant program which provides additional funds based on a three-year average membership for districts with two consecutive years of declining enrollment.	Restricted	20,000,000	(\$20,000,000) (20,000,000)	0
<u>House</u> concurs with Executive.				
13. At-Risk Grants (Sec. 31a)	Gross	\$308,988,200		\$0
<u>Executive</u> maintains total funding for At-risk pupil support to districts, but eliminates exceptions which currently allow Dearborn and Baldwin to qualify for funding despite language that otherwise prohibits out-of-formula funded districts from qualifying. Dearborn would lose an estimated \$4.9 million and Baldwin would lose an estimated \$243,400. The funds would be distributed among all other qualifying districts.	Restricted	308,988,200	\$0 0	0
<u>House</u> concurs with the total funding for At-Risk programs, but maintains exceptions to allow Dearborn and Baldwin to qualify for funding.				
14. Early Childhood Investment Corporation (ECIC) Great Start Collaboratives (Sec. 32b)	Gross	\$6,000,000		\$0
<u>Executive</u> maintains total funding for grants to ISDs distributed through ECIC for Great Start Collaboratives to coordinate early childhood programs.	Restricted	6,000,000	\$0 0	0
<u>House</u> maintains funding for current year and provides intent to transfer funding in FY 2012-13 into early childhood block grants along with funding under Sec. 32d and 32j.				
15. Great Start School Readiness Preschool Program (Sec. 32d)	Gross	\$98,575,000		\$0
<u>Executive</u> maintains funding for preschool programs provided by districts (\$89.4 million) and non-district programs (\$8,875,000) and a longitudinal study of preschool (\$300,000) at current funding levels.	Restricted	89,400,000	\$0 8,875,000	0
<u>House</u> maintains total funding for FY 2011-12 for programs but shifts all revenues to School Aid Fund and distributes funding to intermediate districts that will act as fiduciaries and distribute funds to districts and competitive programs. Provides intent to transfer funding in FY 2012-13 into early childhood block grants along with funding under Sec. 32b and 32j. (See other changes in Major Boilerplate Changes below.)	GF/GP	9,175,000	(8,875,000)	
16. Great Parents Great Start Program (Sec. 32j)	Gross	\$5,000,000		\$0
<u>Executive</u> maintains total funding for grants to ISDs for programs for parents of children age 0-5.	Restricted	5,000,000	\$0 0	0
<u>House</u> maintains funding for current year and provides intent to transfer funding in FY 2012-13 into early childhood block grants along with funding under Sec. 32d and 32j.				

		House Changes		
Major Budget Changes From FY 2010-11 YTD Appropriations		FY 2010-11 YTD (as of 2/17/11)	FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13
17. Bilingual Education Grants (Sec. 41)	Gross	\$2,800,000	(\$2,800,000)	\$0
Executive eliminates funding that provides districts additional funds for educating students of limited English-speaking ability. House concurs with Executive.		Restricted 2,800,000	(2,800,000)	0
18. Special Education Payments (Sec. 51a)	Gross	\$1,517,583,000	(\$103,713,900)	\$51,300,000
Executive reflects estimated federal funding decrease of \$22.3 million and reduces required state payments by \$66.1 million based on cost estimates. Adjusts FY 2012-13 funding for estimated cost increases. House revises costs based on estimates related to House funding proposals.		Federal 459,700,000	(22,300,000)	0
	Restricted	1,057,883,000	(81,413,900)	51,300,000
19. Special Education Hold-Harmless Payment (Sec. 51a(3))	Gross	\$1,400,000	(\$1,400,000)	\$0
Executive eliminates funding for ISDs that receive a hold-harmless payment that guarantees their funding will not fall below 1996-97 funding levels under former sec. 52 and 58. House concurs with Executive.		Restricted 1,400,000	(1,400,000)	0
20. Special Education Intermediate School District (ISD) Center FICA (Sec. 51a(8))	Gross	\$15,313,900	(\$15,313,900)	\$0
Executive eliminates funding for payments which are based on previous state allocations for retirement and Social Security costs attributable to center program employees. House concurs with Executive.		Restricted 15,313,900	(15,313,900)	0
21. Middle College Program (Sec. 64)	Gross	\$2,000,000	(\$2,000,000)	\$0
Executive eliminates funding for this program which helps districts develop a middle college with a 5th year of high school in conjunction with a career college or university program. House concurs with Executive.		Restricted 2,000,000	(2,000,000)	0
22. Precollege Engineering and Science Grants (Sec. 65)	Gross	\$905,100	(\$905,100)	\$0
Executive eliminates funding for this program in Detroit, Grand Rapids, and Bay-Arenac, Huron and Tuscola ISDs. House concurs with Executive.		Restricted 905,100	(905,100)	0
23. School Bus Inspections (Sec. 74)	Gross	\$433,800	\$1,095,800	\$0
Executive increases funding to reflect current law, which requires the Michigan State Police to conduct all safety inspections, rather than simply doing random audits of school district safety inspections. House concurs with Executive.		Restricted 433,800	1,095,800	0
24. ISD General Operations Support (Sec. 81)	Gross	\$65,376,800	(\$3,268,800)	\$0
Executive reduces funding by \$3.3 million or 5.0% from current year levels. House concurs with Executive.		Restricted 65,376,800	(3,268,800)	0
25. Postsecondary Agriculture Education Grant (Sec. 92)	Gross	\$300,000	(\$300,000)	\$0
Executive eliminates funding for a new program added in FY 2010-11 at Saginaw Valley State University. House concurs with Executive.		Restricted 300,000	(300,000)	0
26. State Aid to Libraries for Michigan Electronic Library Catalog (MeLCat) Support (Sec. 93)	Gross	\$1,500,000	(\$1,500,000)	\$0
Executive eliminates funding for State Aid to Libraries. In addition, the Executive recommendation eliminates \$2.3 million in the Department of Education budget for State Aid to Libraries. House concurs with Executive.		Restricted 1,500,000	(1,500,000)	0

		House Changes		
Major Budget Changes From FY 2010-11 YTD Appropriations		FY 2010-11 YTD (as of 2/17/11)	FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13
27. Center for Educational Performance and Information (CEPI) (Sec. 94a) <u>Executive</u> shifts \$8.4 million in School Aid Funds, which were added in FY 2010-11 to support the efforts of districts in linking individual teachers to student achievement data, to Section 152a, which reimburses districts for data collection and reporting costs. Also removes \$7.2 million in Federal funding authorization which was increased in anticipation of a Federal Race to the Top award which the state did not receive. Also includes \$80,600 in GF/GP for economic increases at CEPI. <u>House</u> concurs with Executive.	Gross	\$23,928,900	(\$15,534,000)	\$0
	Federal	10,067,800	(7,174,600)	0
	Restricted	8,440,000	(8,440,000)	0
	GF/GP	\$5,421,100	\$80,600	\$0
28. Positive Behavioral Support Program (Sec. 99i) Executive eliminates funding for this program in the Pontiac school district. <u>House</u> concurs with Executive.	Gross	\$300,000	(\$300,000)	\$0
	Restricted	300,000	(300,000)	0
29. Michigan Educational Assessment Program (MEAP) Program (Sec. 104) <u>Executive</u> shifts federal Title VI funds, which were used in the FY 2010-11 Department of Education budget for a one time rewrite of the secure site for the Office of Education Assessment and Accountability, back to the MEAP program, allowing for a reduction in School Aid Fund support. Adjusts FY 2012-13 to remove two-year funding for FY 2010-11 and FY 2011-12 related to implementation of assessment changes required under recent state education reforms. <u>House</u> concurs with Executive.	Gross	\$43,444,400	\$0	(\$8,500,000)
	Federal	3,250,000	5,000,000	0
	Restricted	40,194,400	(5,000,000)	(8,500,000)
30. ADAIR - Database Payment (Sec. 152a) <u>Executive</u> shifts \$8.4 million in School Aid Funds from CEPI, which were added in FY 2010-11 to support the efforts of districts in linking individual teachers to student achievement data, to this section which provides funds to districts for data collection and reporting costs. <u>House</u> concurs with Executive.	Gross	\$25,624,500	\$8,440,000	\$0
	Restricted	25,624,500	8,440,000	0

Major Boilerplate Changes From FY 2010-11

Sec. 6(4)(r). Kindergarten Pupil Membership Definition - REVISED

House maintains current law for FY 2011-12 but requires that beginning in FY 2012-13, a kindergarten pupil must receive an equal number of instructional hours as pupils in grades 1-12 to be counted as a full FTE. Therefore, districts would only receive a full foundation allowance for a kindergarten pupil for a full-day instructional program.

Sec. 6(7). Fall Count Day - RETAINED

Executive revises the fall pupil membership count day from the fourth Wednesday in September to the first Wednesday in October.
House maintains current law.

Sec. 6(19). Definition of Textbook - REVISED

Executive revises to add "electronic book, or other instructional print or electronic resource" to the definition of a textbook.
House concurs with Executive.

Sec. 11. Proration Language (Section 11) - REVISED

Executive moves the language, which provides for a method for prorating school aid funds in the event that the appropriations exceed the available school aid fund revenue, to Section 195 of an Education omnibus bill. Under the bill, the proration language would now also apply to School Aid Funds appropriated to community colleges and universities.
House concurs with Executive on proration language applying to School Aid Funds appropriated to community colleges and universities but leaves it in Section 11 and maintains 3 separate bills for funding School Aid, community colleges and higher education.

Major Boilerplate Changes From FY 2010-11

Sec. 18(5). District Financial Data - REVISED

Executive eliminates a requirement that the department make district financial data available online and shall include per pupil amounts spent on instruction and instructional support service functions, and the portion of costs attributable to salaries because it duplicates information provided in Department Bulletins 1011 and 1014. Also eliminates the requirement that districts post a link on their websites to the department website where the financial information was posted. *(This is not an elimination of the budgetary transparency information that each district and ISD are required to post on their own websites.)*

House concurs with Executive.

Sec. 20. Foundation Allowances – REVISED

Executive revises the calculation of district foundation allowances to reduce each district's foundation allowance to reflect the \$470 per pupil reduction. Also eliminates foundation allowance adjustments based on small class size and adjustments for specific districts including Bois Blanc, Wayne-Westland, Gibraltar, Garden City and Huron. Under this proposal the minimum foundation allowance would equal \$6,846 and the basic foundation allowance would equal \$8,019.

House revises the calculation of district foundation allowances to reduce each district's foundation allowance by 3.9% time the district's FY 2010-11 foundation allowance or the basic foundation allowance, whichever is less, and then further reduces each foundation allowance by \$170 per pupil in order to roll in the Section 11d per pupil reductions. Under this proposal the minimum foundation allowance would equal \$6,861 and the basic foundation allowance would equal \$7,988. Total per pupil reductions would range from \$455 per pupil at the minimum foundation to \$501 per pupil at the basic foundation or above. House concurs on elimination of district-specific and small class size foundation adjustment eliminations.

Sec. 22b. Discretionary Payment of the Foundation Allowance for FY 2012-13 – REVISED

Executive includes new language that would earmark \$300 million out of the appropriation for foundation allowances in FY 2012-13 for only districts that charge those employees eligible for health care benefits at least the same percentage of costs as that being paid by state employees.

House revises and moves the language to Section 22f. Rather than reducing foundation allowances further in the absence of reforms, it would provide incentive payments in FY 2012-13 to districts that implement reforms.

Sec. 22f. Best Practices Incentives for FY 2012-2013 – NEW

House creates an incentive grant beginning in FY 2012-13 for districts and ISDs that implement best practices including, at a minimum, two identified practices: That a district or ISD (1) pay no more than a state maximum allowable employer contribution for health care benefits for employees and (2) develop a services consolidation plan in agreement with the department if it hasn't already done so under former Section 11d, and if it has, then it must continue to implement that plan and annually report on progress. Requires the department to identify allowable cost-sharing arrangements for non-instructional and instructional services and creation of joint operating agreements between and among districts, intermediate districts and local units of government. Requires department to create benchmarks to measure successes including demonstrated cost reduction and efficiency and to recognize consolidation and cooperation efforts already in effect as well as continued progress. The state maximum health care benefit would have four rates depending on type of coverage: employee only, employee spouse, employee and children, and full family. For FY 2012-13 the state maximum employer contribution would equal 80% of the state's health plan for each of the four coverage levels in FY 2011-12. In subsequent years the dollar cap would grow by the increase in the Detroit Consumer Price Index.

Sec. 31a. At-Risk Payment – RETAINED

Executive eliminates exceptions made for Dearborn and Baldwin which would otherwise prohibit districts whose combined state and local revenue per pupil exceeds the basic foundation allowance from receiving At-risk funds. The exception for Dearborn is because more than 25% and at least 4,500 of its students qualify for free or reduced food programs. The exception for Baldwin is because more than 75% of its students qualify for free or reduced food programs. The current allocation for Dearborn is reduced to 75% of its allocation as would otherwise be calculated under the formula.

House retains current exceptions which allow Dearborn and Baldwin to qualify for funding. Also makes providing a crisis intervention or anti-bullying program an allowable use of at-risk funds.

Sec. 32b. Early Childhood Investment Cooperation (ECIC) Collaborative Report – REVISED

Executive eliminates the required Department report due by December 1 of each year to the appropriations subcommittees, the state budget director, and the fiscal agencies a detailed report of the grants awarded under this section and an analysis of each grant recipient's success in addressing the development of a comprehensive system of early childhood services and supports.

House maintains reporting requirement and establishes intent to move funding in FY 2012-13 to early childhood block grant program administered by ISDs in conjunction with local great start collaboratives. Requires department to work with intermediate districts, districts, great start collaboratives, and ECIC to revise application processes, funding formulas, program criteria, and data reporting requirements and report recommendations to legislature by January 1, 2012.

Major Boilerplate Changes From FY 2010-11

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

Executive eliminates the option that districts may use their GSRP funds for parenting education programs. Currently only districts that were using funds for such programs in 2006-07 may continue to do so and may not spend more than they spent in 2006-07 on parenting education programs.

House maintains current law.

Executive revises early childhood teaching requirements to recognize new early childhood teaching certification (ZS) and to require teachers to complete compliance plans within 2 years rather 4 years from the date of employment. Also eliminates exception for subcontracted programs allowing teachers with 90 credit hours and at least 4 years' teaching experience in a qualified preschool program to meet the requirements to participate in the program.

House concurs with Executive.

Executive revises the definitions of a full-day program and a school-day program, such that a school-day program would be one that operates for the same length of day as the district's first grade, for a minimum of 4 days a week, 30 weeks a year. A full-day program would only be those that provide supplementary child care so that the program totals at least 10 hours per day. Only a full-day program would still be given priority in the allocation of funds (Section 39(8)).

House maintains current law.

House revises this subsection to allocate funds to intermediate districts or consortia to act as fiduciaries for the programs. Requires that in FY 2011-12 the intermediate districts and consortia distribute funds to districts and to competitive programs based on the current funding formula for districts in Sec. 39 and the grant award distribution for competitive programs in Sec. 32l as directed by the department. Requires districts and competitive grant recipients to comply with existing program requirements. Establishes intent to move funding in FY 2012-13 to early childhood block grant program administered by ISDs in conjunction with local great start collaboratives. Requires department to work with intermediate districts, districts, great start collaboratives, and ECIC to revise application processes, funding formulas, program criteria, and data reporting requirements and report recommendations to legislature by January 1, 2012.

Sec. 32j. Great Parents Great Start Report – REVISED

Executive eliminates the required Department report due by December 1 of each year to the state budget director, and the fiscal agencies a report summarizing the data collected by each ISD on the number of children in families under 200% of the federal poverty level receiving services under this section and the total number of children receiving services under this section.

House concurs to delete reporting requirement and establishes intent to move funding in FY 2012-13 to early childhood block grant program administered by ISDs in conjunction with local great start collaboratives. Requires department to work with intermediate districts, districts, great start collaboratives, and ECIC to revise application processes, funding formulas, program criteria, and data reporting requirements and report recommendations to legislature by January 1, 2012.

Sec. 40. GSRP report – REVISED

Executive eliminates the biennial report of the department's review of alternative methods for determining number of children construed to be in need of school readiness programs.

House concurs with Executive.

Sec. 51a(15). Public School Academy (PSA) Special Education – RETAINED

Executive eliminates rules for the provision of special education programs and services and the payment for the added costs of special education for PSA pupils who live outside of the intermediate school district in which the PSA is located. Requires the responsibility and costs to remain with the district or ISD in which the pupil lives unless the PSA and the district or ISD in which it is located in have a written agreement with the resident district or ISD that specifies the responsibility for those costs.

House maintains current language.

Sec. 56. Special Education Millage Equalization – REVISED

Executive revises the per pupil millage equalization levels to \$174,700 for reimbursements made in FY 2011-12 and \$173,000 for reimbursements made in FY 2012-13, to adjust for taxable value estimates.

House concurs with Executive.

Sec. 62. Vocational Education Millage Equalization – REVISED

Executive revises the per pupil millage equalization levels to \$190,400 for reimbursements made in FY 2011-12 and \$188,300 for reimbursements made in FY 2012-13, to adjust for taxable value estimates.

House concurs with Executive.

Sec. 81(6). Intermediate School Districts (ISDs) General Operations – DELETED

Executive eliminates language which would protect from future reductions the portion of an ISD's allocation under Sec. 81 equal to the amount transferred into Section 81 for each ISD in 1994-95 from former section 146 and section 147 related to (Federal Insurance Contributions Act) FICA and retirement.

House concurs with Executive.

Major Boilerplate Changes From FY 2010-11

Sec. 94a. Center for Educational Performance and Information (CEPI) – REVISED

Executive eliminates the CEPI advisory board language which was eliminated pursuant to Executive Order 2010-16.

House concurs with Executive.

Sec. 98. Michigan Virtual School – RETAINED

Executive eliminates the requirement that Michigan Virtual University (MVU) report each December 1 to the appropriations subcommittees, the fiscal agencies, and the state budget director information including a list of Michigan school served by MVU, a list of available online courses offered to Michigan schools, the total number of online course enrollments and completions, overall course completion rate, a summary of federal grant expenditures, and a summary of unmet educational needs that could be addressed by MVU.

House maintains current language.

Sec. 99. Math and Science Centers – NEW

Executive adds a reporting requirement that by July 1, each center receiving funds shall report to the Department performance measures including the statistical change in pre- and post-assessment scores for students enrolled in math and science activities at the center and the statistical change in pre- and post-assessment scores for teachers enrolled in professional development provided by the center.

House concurs with Executive.

Sec. 107(6). Adult Education Community College Program – RETAINED

Executive eliminates a \$200,000 grant for expanding an innovative community college program that focuses on educating adults, which currently goes to Grand Rapids Community College.

House maintains current language.

Sec. 109. Instructional services for students hospitalized or confined to home – REVISED

Executive eliminates the requirement that the department provide a written explanation of a district's responsibilities under this section to each district and to persons upon request and only requires the department to post them online.

House maintains an annual notification to each district but would allow the Department to do so electronically.

Sec. 147. Michigan Public School Employees Retirement System (MPERS) Employer Contribution Rates – REVISED

Executive estimates the MPERS employer contribution rates for FYs 2011-12 and 2012-13 as follows:

House concurs with Executive.

	FY 2010-11		FY 2011-12		FY 2012-13	
	Employees Pre- July 1, 2010	Employees on or after July 1, 2010	Employees Pre- July 1, 2010	Employees on or after July 1, 2010	Employees Pre- July 1, 2010	Employees on or after July 1, 2010
Pension Rate	12.16%	10.66%	15.96%	14.73%	18.62%	17.39%
Retiree Health Rate	8.50%	8.50%	8.50%	8.50%	8.75%	8.75%
Total Rate	20.66%	19.16%	24.46%	23.23%	27.37%	26.14%

SCHOOL AID LINE ITEM SUMMARY



Sec.	Foundation Allowance Increases:
11d	Per Pupil Reduction
11g	Durant - Debt Service
11j	School Bond Redemption Fund
11m	Cash Flow Borrowing Costs
11p	Federal Ed Jobs Funding
22a	Proposal A Obligation Payment
22b	Discretionary Payment - State
22b	Discretionary Payment - Federal ARRA
22d	Isolated District Funding
22e	MBT Impact on Out of Formula Districts
24	Court-Placed Pupils
24a	Juvenile Detention Facility Programs
24c	Youth Challenge Program
26a	Renaissance Zone Reimbursement
26b	PILT Reimbursement
29	Declining Enrollment Grants
31a	"At Risk" Pupil Support
31a(6)	School Based Health Centers
31a(7)	Hearing and Vision Screening
31d	State School Lunch Programs
31d	Federal School Lunch Programs
31f	School Breakfast Program
32b	ECIC Collaborative Grants
32d	Great Start School Readiness - District Grants
32d	Great Start School Readiness - Competitive
32j	Great Parents Great Start ISD Grants
39a1	Federal "No Child Left Behind"
39a2	Other Federal Funding
41	Bilingual Education Grants
51a	Special Education - Federal
51a(2)	Special Ed ISD Foundation and Costs
51a(3)	Special Ed ISD Hold Harmless Payment
51a(6)	Special Ed Admin Rules Changes
51a(8)	Special Ed ISD Center FICA
51a(12)	Special Ed Foundations for Non Sec. 52 to ISDs
51c	Special Ed Headlee Obligation (Durant)
53a	Special Ed for Court Placed Pupils
54	Special Ed Michigan School Blind/Deaf
56	Special Ed ISD Millage Equalization
61a	Vocational-Technical Education Programs
62	ISD Vocational Education Millage Equalization
64	Middle College Program
65	Precollege Engineering and Science Programs
74	Bus Driver Safety Instruction
74	School Bus Inspections
81	ISD General Operations Support
92	Postsecondary Agriculture Education Program
93	State Aid to Libraries for MELCat Support
94a	Center for Educational Performance
94a	Center for Educational Performance - Federal
98	Michigan Virtual School
98	Michigan Virtual School - Federal

FY 2010-11
PA 217 of 2010 YTD
(\$268,590,300)
\$39,000,000
\$5,167,800
\$45,000,000
\$316,270,300
\$5,764,000,000
\$3,573,500,000
\$184,256,600
\$2,025,000
\$1,800,000
\$8,000,000
\$1,440,000
\$742,300
\$26,300,000
\$3,400,000
\$20,000,000
\$308,988,200
\$3,557,300
\$5,150,000
\$22,495,100
\$402,506,000
\$9,625,000
\$6,000,000
\$89,700,000
\$8,875,000
\$5,000,000
\$761,973,600
\$32,359,700
\$2,800,000
\$459,700,000
\$248,200,000
\$1,400,000
\$2,200,000
\$15,313,900
\$6,600,000
\$732,100,000
\$13,500,000
\$1,688,000
\$36,881,100
\$26,611,300
\$9,000,000
\$2,000,000
\$905,100
\$1,625,000
\$433,800
\$65,376,800
\$300,000
\$1,500,000
\$13,861,100
\$10,067,800
\$1,687,500
\$2,700,000

FY 2011-12
Change From PA 217 of 2010
Executive Rec
(\$470)
\$268,590,300
\$39,000,000
\$88,407,500
(\$25,000,000)
(\$316,270,300)
(\$81,500,000)
(\$563,787,000)
(\$184,256,600)
(\$2,025,000)
(\$1,800,000)
\$8,000,000
(\$242,500)
(\$97,500)
\$26,300,000
(\$510,000)
(\$20,000,000)
\$308,988,200
\$3,557,300
\$5,150,000
\$22,495,100
\$402,506,000
\$9,625,000
\$6,000,000
\$89,700,000
\$8,875,000
\$5,000,000
\$761,973,600
\$32,359,700
\$2,800,000
(\$22,300,000)
(\$2,500,000)
(\$1,400,000)
\$2,200,000
(\$15,313,900)
\$200,000
(\$63,800,000)
\$13,500,000
\$1,688,000
\$36,881,100
\$26,611,300
\$9,000,000
(\$2,000,000)
(\$905,100)
\$1,625,000
\$1,095,800
(\$3,268,800)
(\$300,000)
(\$1,500,000)
(\$8,359,400)
(\$7,174,600)
\$5,501,700
\$2,893,200
\$1,687,500
\$2,700,000

FY 2011-12
Change From PA 217 of 2010
House Subcommittee
(3.9%) and (\$170)
\$268,590,300
\$39,000,000
\$88,407,500
(\$25,000,000)
(\$316,270,300)
(\$82,000,000)
(\$562,500,000)
(\$184,256,600)
(\$2,025,000)
(\$1,800,000)
\$8,000,000
(\$242,500)
(\$97,500)
\$26,300,000
(\$510,000)
(\$20,000,000)
\$308,988,200
\$3,557,300
\$5,150,000
\$22,495,100
\$402,506,000
\$9,625,000
\$6,000,000
\$89,700,000
\$8,875,000
\$5,000,000
\$761,973,600
\$32,359,700
\$2,800,000
(\$22,300,000)
(\$2,700,000)
(\$1,400,000)
\$2,200,000
(\$15,313,900)
\$200,000
(\$62,200,000)
\$13,500,000
\$1,688,000
\$36,881,100
\$26,611,300
\$9,000,000
(\$2,000,000)
(\$905,100)
\$1,625,000
\$1,095,800
(\$3,268,800)
(\$300,000)
(\$1,500,000)
(\$8,359,400)
(\$7,174,600)
\$5,501,700
\$2,893,200
\$1,687,500
\$2,700,000

FY 2012-13
Change FY 2011-12
House Subcommittee
\$0
\$39,000,000
(\$3,996,600)
\$10,000,000
\$0
\$0
(\$80,000,000)
(\$4,000,000)
\$0
\$0
\$0
\$8,000,000
\$1,197,500
\$644,800
\$26,300,000
\$2,890,000
\$0
\$308,988,200
\$3,557,300
\$5,150,000
\$22,495,100
\$402,506,000
\$9,625,000
\$6,000,000
\$89,700,000
\$8,875,000
\$5,000,000
\$761,973,600
\$32,359,700
\$0
\$437,400,000
\$13,100,000
\$0
\$2,200,000
\$0
\$6,800,000
\$38,200,000
\$13,500,000
\$1,688,000
\$36,881,100
\$26,611,300
\$9,000,000
\$0
\$0
\$1,625,000
\$1,529,600
\$62,108,000
\$0
\$0
\$5,501,700
\$2,893,200
\$1,687,500
\$2,700,000

SCHOOL AID LINE ITEM SUMMARY



99	Math and Science Centers - State
99	Math and Science Centers - Federal
99i	Positive Behavioral Support Program
104	MEAP Testing - State
104	MEAP Testing - Federal
107	Adult Education
152a	Adair - Database Payment
TOTAL APPROPRIATIONS	

FY 2010-11
PA 217 of 2010 YTD
\$2,625,000
\$5,249,300
\$300,000
\$40,194,400
\$3,250,000
\$22,000,000
\$25,624,500
\$13,134,236,200

FY 2011-12	
Change From PA 217 of 2010	Executive Rec
	\$2,625,000
	\$5,249,300
(\$300,000)	\$0
(\$5,000,000)	\$35,194,400
\$5,000,000	\$8,250,000
	\$22,000,000
\$8,440,000	\$34,064,500
(\$960,677,100)	\$12,173,559,100

FY 2011-12	
Change From PA 217 of 2010	House Subcommittee
	\$2,625,000
	\$5,249,300
(\$300,000)	\$0
(\$5,000,000)	\$35,194,400
\$5,000,000	\$8,250,000
	\$22,000,000
\$8,440,000	\$34,064,500
(\$958,490,100)	\$12,175,746,100

FY 2012-13	
Change FY 2011-12	House Subcommittee
	\$2,625,000
	\$5,249,300
	\$0
(\$8,500,000)	\$26,694,400
	\$8,250,000
	\$22,000,000
	\$34,064,500
(\$35,196,600)	\$12,140,549,500

REVENUE BY SOURCE	
Federal Aid	\$1,677,806,400
Federal Ed Jobs	\$316,270,300
Federal ARRA	\$184,256,600
School Aid Fund	\$10,937,260,500
General Fund/General Purpose	\$18,642,400
TOTAL REVENUE	\$13,134,236,200

\$1,677,806,400
\$316,270,300
\$184,256,600
\$10,937,260,500
\$18,642,400
\$13,134,236,200

(\$24,474,600)	\$1,653,331,800
(\$316,270,300)	\$0
(\$184,256,600)	\$0
(\$829,575,600)	\$10,107,684,900
\$393,900,000	\$412,542,400
(\$960,677,100)	\$12,173,559,100

(\$24,474,600)	\$1,653,331,800
(\$316,270,300)	\$0
(\$184,256,600)	\$0
(\$826,018,900)	\$10,111,241,600
\$392,530,300	\$411,172,700
(\$958,490,100)	\$12,175,746,100

\$0	\$1,653,331,800
\$0	\$0
\$0	\$0
\$32,103,400	\$10,143,345,000
(\$67,300,000)	\$343,872,700
(\$35,196,600)	\$12,140,549,500