

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning

Senate Bill No. 174, entitled

A bill to make appropriations for the department of education and certain other purposes relating to education for the fiscal year ending September 30, 2012; to provide for the expenditure of the appropriations; to provide anticipated appropriations for the fiscal year ending September 30, 2013; and to provide for the disposition of fees and other income received by the state agency.

Recommends:

First: That the House recede from the Substitute of the House as passed by the House.

Second: That the Senate and House agree to the Substitute of the Senate as passed by the Senate, amended to read as follows:

(attached)

Third: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the department of education and certain other purposes relating to education for the fiscal year ending September 30, 2012; to provide for the expenditure of the appropriations; to provide anticipated appropriations for the

fiscal year ending September 30, 2013; and to provide for the disposition of fees and other income received by the state agency.

Howard Walker

Bill Rogers

Roger Kahn

Earl Poleski

Hoon-Yung Hopgood

Joan Bauer

Conferees for the Senate

Conferees for the House

**SUBSTITUTE FOR
SENATE BILL NO. 174**

A bill to make appropriations for the department of education and certain other purposes relating to education for the fiscal year ending September 30, 2012; to provide for the expenditure of the appropriations; to provide anticipated appropriations for the fiscal year ending September 30, 2013; and to provide for the disposition of fees and other income received by the state agency.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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PART 1

LINE-ITEM APPROPRIATIONS

FOR FISCAL YEAR 2011-2012

Sec. 101. There is appropriated for the department of education and certain state purposes related to education as set forth in this act for the fiscal year ending September 30, 2012, from the following funds:

DEPARTMENT OF EDUCATION

1	APPROPRIATION SUMMARY		
2	Full-time equated unclassified positions.....	6.0	
3	Full-time equated classified positions.....	554.0	
4	GROSS APPROPRIATION.....		\$ 117,313,000
5	Interdepartmental grant revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers		0
8	ADJUSTED GROSS APPROPRIATION.....		\$ 117,313,000
9	Federal revenues:		
10	Federal revenues.....		68,186,100
11	Federal indirect funds.....		4,181,000
12	IMLS, library services and technology act.....		5,562,100
13	Total federal revenues.....		77,929,200
14	Special revenue funds:		
15	Local cost sharing (schools for deaf/blind)		6,835,000
16	Local school district service fees.....		324,200
17	Total local revenues.....		7,159,200
18	Gifts, bequests, and donations.....		760,800
19	Private foundations.....		2,283,600
20	Total private revenues.....		3,044,400
21	Total local and private revenues.....		10,203,600
22	Certification fees.....		6,065,200
23	Commodity distribution fees.....		71,700
24	Student insurance revenues.....		218,600
25	Teacher college review fees.....		55,300
26	Teacher testing fees.....		344,500
27	Tenant rent.....		261,000

1	Training and orientation workshop fees	150,000
2	Total other state restricted revenues	7,166,300
3	State general fund/general purpose	\$ 22,013,900
4	Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE	
5	SUPERINTENDENT	
6	Full-time equated unclassified positions..... 6.0	
7	Full-time equated classified positions..... 14.0	
8	State board of education, per diem payments	\$ 24,400
9	Unclassified positions--6.0 FTE positions	645,600
10	State board/superintendent operations--14.0 FTE	
11	positions	<u>2,032,000</u>
12	GROSS APPROPRIATION.....	\$ 2,702,000
13	Appropriated from:	
14	Federal revenues:	
15	Federal revenues	114,400
16	Special revenue funds:	
17	Private foundations	28,100
18	Certification fees	627,000
19	State general fund/general purpose	\$ 1,932,500
20	Sec. 103. CENTRAL SUPPORT	
21	Full-time equated classified positions..... 19.6	
22	Central support--19.6 FTE positions	\$ 3,120,600
23	Worker's compensation	54,000
24	Building occupancy charges - property management	
25	services	2,728,200
26	Tenant rent	261,000
27	Training and orientation workshops	150,000

1	Terminal leave payments.....		<u>554,700</u>
2	GROSS APPROPRIATION.....	\$	6,868,500
3	Appropriated from:		
4	Federal revenues:		
5	Federal revenues.....		1,441,700
6	Federal indirect funds.....		2,294,700
7	Special revenue funds:		
8	Certification fees.....		413,800
9	Teacher testing fees.....		13,500
10	Tenant rent.....		261,000
11	Training and orientation workshop fees.....		150,000
12	State general fund/general purpose.....	\$	2,293,800
13	Sec. 104. INFORMATION TECHNOLOGY SERVICES		
14	Information technology operations.....	\$	<u>3,332,900</u>
15	GROSS APPROPRIATION.....	\$	3,332,900
16	Appropriated from:		
17	Federal revenues:		
18	Federal revenues.....		494,600
19	Federal indirect funds.....		1,455,300
20	Special revenue funds:		
21	Local cost sharing (schools for deaf/blind)		76,500
22	Certification fees.....		313,000
23	State general fund/general purpose.....	\$	993,500
24	Sec. 105. SPECIAL EDUCATION SERVICES		
25	Full-time equated classified positions.....	47.0	
26	Special education operations--47.0 FTE positions	\$	<u>7,909,900</u>
27	GROSS APPROPRIATION.....	\$	7,909,900

1	Appropriated from:		
2	Federal revenues:		
3	Federal revenues.....		7,463,200
4	Special revenue funds:		
5	Private foundations.....		110,100
6	Certification fees.....		39,500
7	State general fund/general purpose.....	\$	297,100
8	Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND		
9	Full-time equated classified positions.....	103.0	
10	Michigan schools for the deaf and blind operations--		
11	102.0 FTE positions	\$	13,632,000
12	Camp Tuhsmeheeta--1.0 FTE position.....		295,100
13	Private gifts - blind.....		200,000
14	Private gifts - deaf.....		<u>250,000</u>
15	GROSS APPROPRIATION.....	\$	14,377,100
16	Appropriated from:		
17	Federal revenues:		
18	Federal revenues.....		6,326,700
19	Special revenue funds:		
20	Local cost sharing (schools for deaf/blind)		6,758,500
21	Local school district service fees.....		312,500
22	Gifts, bequests, and donations.....		760,800
23	Student insurance revenue.....		218,600
24	State general fund/general purpose.....	\$	0
25	Sec. 107. PROFESSIONAL PREPARATION SERVICES		
26	Full-time equated classified positions.....	34.0	
27	Professional preparation operations--	34.0 FTE	

1	positions	\$	5,724,100
2	Department of attorney general		<u>50,000</u>
3	GROSS APPROPRIATION	\$	5,774,100
4	Appropriated from:		
5	Federal revenues:		
6	Federal revenues		1,386,700
7	Special revenue funds:		
8	Certification fees		3,564,900
9	Teacher college review fees		55,300
10	Teacher testing fees		331,000
11	State general fund/general purpose	\$	436,200
12	Sec. 108. EARLY CHILDHOOD EDUCATION AND FAMILY		
13	SERVICES		
14	Full-time equated classified positions	26.0	
15	Early childhood education and family services		
16	operations--26.0 FTE positions	\$	<u>4,295,700</u>
17	GROSS APPROPRIATION	\$	4,295,700
18	Appropriated from:		
19	Federal revenues:		
20	Federal revenues		3,388,300
21	Special revenue funds:		
22	Certification fees		59,100
23	State general fund/general purpose	\$	848,300
24	Sec. 109. STATE AID AND SCHOOL FINANCE SERVICES		
25	Full-time equated classified positions	7.5	
26	State aid and school finance operations--7.5 FTE		
27	positions	\$	<u>985,400</u>

1	GROSS APPROPRIATION.....	\$	985,400
2	Appropriated from:		
3	State general fund/general purpose.....	\$	985,400
4	Sec. 110. AUDIT SERVICES		
5	Full-time equated classified positions.....	3.5	
6	Audit operations--3.5 FTE positions.....	\$	<u>541,800</u>
7	GROSS APPROPRIATION.....	\$	541,800
8	Appropriated from:		
9	Federal revenues:		
10	Federal indirect funds.....		431,000
11	Special revenue funds:		
12	Certification fees.....		55,200
13	State general fund/general purpose.....	\$	55,600
14	Sec. 111. ADMINISTRATIVE LAW SERVICES		
15	Full-time equated classified positions.....	2.0	
16	Administrative law operations--2.0 FTE positions.....	\$	<u>1,044,800</u>
17	GROSS APPROPRIATION.....	\$	1,044,800
18	Appropriated from:		
19	Federal revenues:		
20	Federal revenues.....		541,700
21	Special revenue funds:		
22	Certification fees.....		452,000
23	State general fund/general purpose.....	\$	51,100
24	Sec. 112. EDUCATION ASSESSMENT AND ACCOUNTABILITY		
25	Full-time equated classified positions.....	64.1	
26	Educational assessment operations--64.1 FTE positions.....	\$	<u>11,272,500</u>
27	GROSS APPROPRIATION.....	\$	11,272,500

1	Appropriated from:		
2	Federal revenues:		
3	Federal revenues.....		9,704,500
4	State general fund/general purpose.....	\$	1,568,000
5	Sec. 113. GRANTS ADMINISTRATION AND SCHOOL SUPPORT		
6	SERVICES		
7	Full-time equated classified positions.....	73.6	
8	Grants administration and school support services		
9	operations--67.6 FTE positions.....	\$	10,937,400
10	College access challenge grant program--6.0 FTE		
11	positions		4,293,200
12	Federal and private grants.....		<u>3,000,000</u>
13	GROSS APPROPRIATION.....	\$	18,230,600
14	Appropriated from:		
15	Federal revenues:		
16	Federal revenues.....		16,654,000
17	Special revenue funds:		
18	Local school district service fees.....		11,700
19	Private foundations.....		1,000,000
20	Commodity distribution fees.....		71,700
21	State general fund/general purpose.....	\$	493,200
22	Sec. 114. FIELD SERVICES		
23	Full-time equated classified positions.....	44.0	
24	Field services operations--44.0 FTE positions.....	\$	<u>9,302,700</u>
25	GROSS APPROPRIATION.....	\$	9,302,700
26	Appropriated from:		
27	Federal revenues:		

1	Federal revenues.....	8,537,900
2	Special revenue funds:	
3	Private foundations.....	572,100
4	Certification fees.....	51,600
5	State general fund/general purpose.....	\$ 141,100
6	Sec. 115. EDUCATIONAL IMPROVEMENT AND INNOVATION	
7	SERVICES	
8	Full-time equated classified positions..... 55.7	
9	Educational improvement and innovation operations--	
10	55.7 FTE positions	\$ <u>10,674,000</u>
11	GROSS APPROPRIATION.....	\$ 10,674,000
12	Appropriated from:	
13	Federal revenues:	
14	Federal revenues.....	8,688,200
15	Special revenue funds:	
16	Private foundations.....	573,300
17	Certification fees.....	489,100
18	State general fund/general purpose.....	\$ 923,400
19	Sec. 116. CAREER AND TECHNICAL EDUCATION	
20	Full-time equated classified positions..... 27.0	
21	Career and technical education operations--27.0 FTE	
22	positions	\$ <u>4,234,700</u>
23	GROSS APPROPRIATION.....	\$ 4,234,700
24	Appropriated from:	
25	Federal revenues:	
26	Federal revenues.....	3,444,200
27	State general fund/general purpose.....	\$ 790,500

Sec. 117. LIBRARY OF MICHIGAN

Full-time equated classified positions..... 33.0

Library of Michigan operations--32.0 FTE positions ... \$ 3,808,500

Library services and technology program--1.0 FTE

positions 5,562,100

State aid to libraries..... 5,445,700

Michigan elibrary..... 950,000

GROSS APPROPRIATION..... \$ 15,766,300

Appropriated from:

Federal revenues:

IMLS, library services and technology act 5,562,100

State general fund/general purpose \$ 10,204,200

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2011-2012

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for the fiscal year ending September 30, 2012 is \$29,180,200.00 and state spending from state resources to be paid to local units of government for the fiscal year ending September 30, 2012 is \$5,445,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF EDUCATION

1	State aid to libraries.....	\$	<u>5,445,700</u>
2	Total department of education.....	\$	5,445,700

3 Sec. 202. The appropriations authorized under this act are
 4 subject to the management and budget act, 1984 PA 431, MCL 18.1101
 5 to 18.1594.

6 Sec. 203. As used in this act:

7 (a) "Department" means the Michigan department of education.

8 (b) "District" means a local school district as defined in
 9 section 6 of the revised school code, 1976 PA 451, MCL 380.6, or a
 10 public school academy as defined in section 5 of the revised school
 11 code, 1976 PA 451, MCL 380.5.

12 (c) "FTE" means full-time equated.

13 (d) "IMLS" means institute of museum and library services.

14 Sec. 204. The civil service commission shall bill departments
 15 and agencies at the end of the first fiscal quarter for the charges
 16 authorized by section 5 of article XI of the state constitution of
 17 1963. Payments shall be made for the total amount of the billing by
 18 the end of the second fiscal quarter.

19 Sec. 205. Unless otherwise specified, the departments shall
 20 use the Internet to fulfill the reporting requirements of this act.
 21 This requirement may include transmission of reports via electronic
 22 mail to the recipients identified for each reporting requirement,
 23 or it may include placement of reports on an Internet or Intranet
 24 site.

25 Sec. 206. The department shall provide through the Internet
 26 the state board of education agenda and all supporting documents,
 27 and shall notify the state budget director and the senate and house

1 fiscal agencies that the agenda and supporting documents are
2 available on the Internet, at the time the agenda and supporting
3 documents are provided to state board of education members.

4 Sec. 207. (1) The department shall maintain a searchable
5 website accessible by the public at no cost that includes, but is
6 not limited to, all of the following:

7 (a) Fiscal year-to-date expenditures by category.

8 (b) Fiscal year-to-date expenditures by appropriation unit.

9 (c) Fiscal year-to-date payments to a selected vendor,
10 including the vendor name, payment date, payment amount, and
11 payment description.

12 (d) The number of active department employees by job
13 classification.

14 (e) Job specifications and wage rates.

15 (2) The department may develop and operate its own website to
16 provide this information or may reference the state's central
17 transparency website as the source for this information.

18 Sec. 208. The department shall require all public school
19 districts to maintain complete records within the personnel file of
20 a teacher or school employee of any disciplinary actions taken by
21 the local school board against the teacher or employee for sexual
22 misconduct. The records shall not be destroyed or removed from the
23 teacher's or employee's personnel file except as required by a
24 court order.

25 Sec. 209. From the funds appropriated in part 1 for
26 information technology, departments and agencies shall pay user
27 fees to the department of technology, management, and budget for

1 technology-related services and projects. Such user fees shall be
2 subject to provisions of an interagency agreement between the
3 departments and agencies and the department of technology,
4 management, and budget.

5 Sec. 210. Amounts appropriated in part 1 for information
6 technology may be designated as work projects and carried forward
7 to support technology projects under the direction of the
8 department of technology, management, and budget. Funds designated
9 in this manner are not available for expenditure until approved as
10 work projects under section 451a of the management and budget act,
11 1984 PA 431, MCL 18.1451a.

12 Sec. 211. Before publishing a list of schools or districts
13 determined to have failed to make adequate yearly progress as
14 required by the no child left behind act of 2001, Public Law 107-
15 110, the department shall allow a school or district to appeal that
16 determination. The department shall consider and act upon the
17 appeal within 30 days after it is submitted and shall not publish
18 the list until after all appeals have been considered and decided.

19 Sec. 212. Funds appropriated in part 1 shall not be used for
20 the purchase of foreign goods or services, or both, if
21 competitively priced and comparable quality American goods or
22 services, or both, are available. Preference shall be given to
23 goods or services, or both, manufactured or provided by Michigan
24 businesses if they are competitively priced and of comparable
25 quality. In addition, preference should be given to goods or
26 services, or both, manufactured or provided by Michigan businesses
27 owned and operated by veterans if they are competitively priced and

1 of comparable quality.

2 Sec. 214. (1) Due to the current budgetary problems in this
3 state, out-of-state travel for the fiscal year ending September 30,
4 2012 shall be limited to situations in which 1 or more of the
5 following conditions apply:

6 (a) The travel is required by legal mandate or court order or
7 for law enforcement purposes.

8 (b) The travel is necessary to protect the health or safety of
9 Michigan citizens or visitors or to assist other states in similar
10 circumstances.

11 (c) The travel is necessary to produce budgetary savings or to
12 increase state revenues, including protecting existing federal
13 funds or securing additional federal funds.

14 (d) The travel is necessary to comply with federal
15 requirements.

16 (e) The travel is necessary to secure specialized training for
17 staff that is not available within this state.

18 (f) The travel is financed entirely by federal or nonstate
19 funds.

20 (2) Not later than January 1 of each year, each department
21 shall prepare a travel report listing all travel by classified and
22 unclassified employees outside this state in the immediately
23 preceding fiscal year that was funded in whole or in part with
24 funds appropriated in the department's budget. The report shall be
25 submitted to the house and senate standing committees on
26 appropriations, the house and senate fiscal agencies, and the state
27 budget director. The report shall include the following

1 information:

2 (a) The name of each person receiving reimbursement for travel
3 outside this state or whose travel costs were paid by this state.

4 (b) The destination of each travel occurrence.

5 (c) The dates of each travel occurrence.

6 (d) A brief statement of the reason for each travel
7 occurrence.

8 (e) The transportation and related costs of each travel
9 occurrence, including the proportion funded with state general
10 fund/general purpose revenues, the proportion funded with state
11 restricted revenues, the proportion funded with federal revenues,
12 and the proportion funded with other revenues.

13 (f) A total of all out-of-state travel funded for the
14 immediately preceding fiscal year.

15 Sec. 215. The department shall not approve the travel of more
16 than 1 departmental employee to a specific professional development
17 conference or training seminar that is located outside of this
18 state unless the professional development conference or training
19 seminar is funded by a federal or private funding source and
20 requires more than 1 person from a department to attend, or the
21 conference or training seminar includes multiple issues in which 1
22 employee from the department does not have expertise.

23 Sec. 216. The department shall not take disciplinary action
24 against an employee who communicates truthfully and factually with
25 a member of the legislature or his or her staff.

26 Sec. 217. The state superintendent of public instruction shall
27 take all reasonable steps to ensure businesses in deprived and

1 depressed communities compete for and perform contracts to provide
2 services or supplies, or both. The director shall strongly
3 encourage firms with which the department contracts to subcontract
4 with certified businesses in depressed and deprived communities for
5 services, supplies, or both.

6 Sec. 218. The department and agencies receiving appropriations
7 in part 1 shall receive and retain copies of all reports funded
8 from appropriations in part 1. Federal and state guidelines for
9 short-term and long-term retention of records shall be followed.
10 The department may electronically retain copies of reports unless
11 otherwise required by federal and state guidelines.

12 Sec. 219. (1) In addition to the funds appropriated in part 1,
13 there is appropriated an amount not to exceed \$5,000,000.00 for
14 federal contingency funds. These funds are not available for
15 expenditure until they have been transferred to another line item
16 in this act under section 393(2) of the management and budget act,
17 1984 PA 431, MCL 18.1393.

18 (2) In addition to the funds appropriated in part 1, there is
19 appropriated an amount not to exceed \$700,000.00 for state
20 restricted contingency funds. These funds are not available for
21 expenditure until they have been transferred to another line item
22 in this act under section 393(2) of the management and budget act,
23 1984 PA 431, MCL 18.1393.

24 (3) In addition to the funds appropriated in part 1, there is
25 appropriated an amount not to exceed \$250,000.00 for local
26 contingency funds. These funds are not available for expenditure
27 until they have been transferred to another line item in this act

1 under section 393(2) of the management and budget act, 1984 PA 431,
2 MCL 18.1393.

3 (4) In addition to the funds appropriated in part 1, there is
4 appropriated an amount not to exceed \$3,000,000.00 for private
5 contingency funds. These funds are not available for expenditure
6 until they have been transferred to another line item in this act
7 under section 393(2) of the management and budget act, 1984 PA 431,
8 MCL 18.1393.

9 Sec. 220. The department shall provide data requested by a
10 member of the legislature, his or her staff, or the house and
11 senate fiscal agencies in a timely manner.

12 Sec. 221. Funds appropriated in part 1 shall not be used by a
13 principal executive department, state agency, or authority to hire
14 a person to provide legal services that are the responsibility of
15 the attorney general. This prohibition does not apply to legal
16 services for bonding activities and for those activities that the
17 attorney general authorizes.

18 Sec. 225. It is the intent of the legislature that not later
19 than 60 days after the state receives audited membership counts
20 from intermediate school districts, the state superintendent of
21 public instruction shall investigate and report to the legislature
22 on the scope of and proposed solutions to pupil membership fraud
23 and the incidence of students counted in membership in a district
24 and not remaining in that district for the balance of the school
25 year.

26 Sec. 226. Not later than November 15, 2012, the department
27 shall prepare and transmit a report that provides for estimates of

1 the total general fund/general purpose appropriation lapses at the
2 close of the fiscal year. This report shall summarize the projected
3 year-end general fund/general purpose appropriation lapses by major
4 departmental program or program areas. The report shall be
5 transmitted to the office of the state budget, the chairpersons of
6 the senate and house appropriations committees, and the senate and
7 house fiscal agencies.

8 Sec. 227. Within 14 days after the release of the executive
9 budget recommendation, the department shall provide the state
10 budget director, the senate and house appropriations chairs, the
11 senate and house appropriations subcommittees responsible for the
12 department budget, respectively, and the senate and house fiscal
13 agencies with an annual report on estimated state restricted fund
14 balances, state restricted fund projected revenues, and state
15 restricted fund expenditures for the fiscal years ending September
16 30, 2011 and September 30, 2012.

17 Sec. 229. The department and the superintendent of public
18 instruction shall use funds appropriated in part 1 to ensure that
19 all of the activities and duties required to be carried out by the
20 department and the superintendent of public instruction under
21 section 1280c of the revised school code, 1976 PA 451, MCL
22 380.1280c, are completed not later than the deadlines prescribed in
23 that section.

24 STATE BOARD/OFFICE OF THE SUPERINTENDENT

25 Sec. 301. (1) The appropriations in part 1 may be used for per
26 diem payments to the state board for meetings at which a quorum is

1 present or for performing official business authorized by the state
2 board. The per diem payments shall be at a rate as follows:

3 (a) State board of education - president - \$110.00 per day.

4 (b) State board of education - member other than president -
5 \$100.00 per day.

6 (2) A state board of education member shall not be paid a per
7 diem for more than 30 days per year.

8 Sec. 302. From the amount appropriated in part 1 to the state
9 board of education, not more than \$35,000.00 shall be expended for
10 in-state travel and out-of-state travel directly related to the
11 duties of the state board of education.

12 **MICHIGAN SCHOOLS FOR THE DEAF AND BLIND**

13 Sec. 402. For each student enrolled at the Michigan schools
14 for the deaf and blind, the department shall assess the
15 intermediate school district of residence 100% of the cost of
16 operating the student's instructional program. The amount shall
17 exclude room and board related costs and the cost of weekend
18 transportation between the school and the student's home.

19 Sec. 404. (1) The department may assess rent or lease excess
20 property located on the campus of the Michigan schools for the deaf
21 and blind in Flint to private or publicly funded organizations.

22 (2) From the amount appropriated in part 1 for tenant rent,
23 the department may receive and expend funds from lease agreements
24 at the Michigan schools for the deaf and blind Flint campus that
25 have been negotiated with the approval of the department of
26 technology, management, and budget. These funds shall be used for

1 the operation, maintenance, and renovation expenses associated with
2 the leased space.

3 (3) From the unexpended balances of appropriations for the
4 Michigan schools for the deaf and blind operations, up to
5 \$250,000.00 of any unexpended and unencumbered funds remaining on
6 September 30, 2012 may be carried forward as a work project and
7 expended for special maintenance and repairs of facilities at the
8 campus of the Michigan schools for the deaf and blind in Flint. The
9 work shall be carried out by state employees, or by contract as
10 necessary, at an estimated cost of \$250,000.00. The estimated
11 completion date of the work is September 30, 2013.

12 (4) From the tenant rent appropriation for Michigan schools
13 for the deaf and blind operations, up to \$100,000.00 of any
14 unexpended and unencumbered funds remaining on September 30, 2012
15 may be carried forward as a work project or as restricted revenue
16 and expended for special maintenance and repairs of facilities at
17 Fay hall. The work project may be performed by state employees, or
18 by contract when necessary, at an estimated cost of \$100,000.00.
19 The estimated completion date of the work project is September 30,
20 2013.

21 Sec. 405. The department may assist the department of
22 community health, other departments, and local school districts to
23 secure reimbursement for eligible services provided in Michigan
24 schools from the federal Medicaid program. The department may
25 submit reports of direct expenses related to this effort to the
26 department of community health for reimbursement.

27 Sec. 406. (1) The Michigan schools for the deaf and blind may

1 promote its residential program as a possible appropriate option
2 for children who are deaf or hard of hearing or who are blind or
3 visually impaired. The Michigan schools for the deaf and blind
4 shall distribute information detailing its services to all
5 intermediate school districts in the state.

6 (2) Upon knowledge of or recognition by an intermediate school
7 district that a child in the district is deaf or hard of hearing or
8 blind or visually impaired, the intermediate school district shall
9 provide to the parents of the child the literature distributed by
10 the Michigan schools for the deaf and blind to intermediate school
11 districts under subsection (1).

12 (3) Parents will continue to have a choice regarding the
13 educational placement of their deaf or hard-of-hearing children.

14 Sec. 407. Revenue received by the Michigan schools for the
15 deaf and blind from gifts, bequests, and donations that is
16 unexpended at the end of the state fiscal year may be carried over
17 to the succeeding fiscal year and shall not revert to the general
18 fund.

19 **PROFESSIONAL PREPARATION SERVICES**

20 Sec. 501. From the funds appropriated in part 1 for
21 professional preparation services, the department shall maintain
22 the professional personnel register and certificate
23 revocation/felony conviction files.

24 Sec. 502. The department shall authorize teacher preparation
25 institutions to provide an alternative program by which up to 1/2
26 of the required student internship or student teaching credits may

1 be earned through substitute teaching. The department shall require
2 that teacher preparation institutions collaborate with school
3 districts to ensure that the quality of instruction provided to
4 student teachers is comparable to that required in a traditional
5 student teaching program.

6 Sec. 506. Revenue received from teacher testing fees that is
7 unexpended at the end of the state fiscal year may be carried over
8 to the succeeding fiscal year and shall not revert to the general
9 fund.

10 OFFICE OF EDUCATIONAL IMPROVEMENT AND INNOVATION

11 Sec. 601. From the amount appropriated in part 1 for the
12 office of educational improvement and innovation, there is
13 allocated \$350,000.00 and 3.5 FTE positions to operate a charter
14 school office to administer charter school legislation and
15 associated regulations, and to coordinate the activities of the
16 department relating to charter schools.

17 INFORMATION TECHNOLOGY

18 Sec. 701. The department shall work in collaboration with the
19 center for educational performance and information to support the
20 comprehensive educational information system and all data
21 collection and reporting efforts of the department.

22 LIBRARY OF MICHIGAN

23 Sec. 801. In addition to the funds appropriated in part 1, the
24 funds collected by the department for document reproduction and

1 services; conferences, workshops, and training classes; and the use
2 of specialized equipment, facilities, and software are appropriated
3 for all expenses necessary to provide the required services. These
4 funds are available for expenditure when they are received and may
5 be carried forward into the next succeeding fiscal year.

6 Sec. 803. It is the intent of the legislature that the library
7 of Michigan and the component programs currently within the library
8 of Michigan shall be kept together in a state department.

9 Sec. 804. From the funds appropriated in part 1 and other
10 funding available, the department and library of Michigan shall
11 maintain custody of the non-Michigan genealogy and all Michigan-
12 specific collections. These collections shall continue to be made
13 available to the public.

14 **GRANTS ADMINISTRATION AND SCHOOL SUPPORT SERVICES**

15 Sec. 901. Within 10 days of the receipt of a grant
16 appropriated in the federal and private grants line item in part 1,
17 the department shall notify the house and senate chairpersons of
18 the appropriations subcommittees responsible for the department
19 budget, the house and senate fiscal agencies, and the state budget
20 director of the receipt of the grant, including the funding source,
21 purpose, and amount of the grant.

22 Sec. 902. The college access challenge grant program is a work
23 project as provided in section 451a of the management and budget
24 act, 1984 PA 431, MCL 18.1451a, and as follows and as such
25 appropriations for the program shall not lapse at the end of the
26 fiscal year but shall continue to be available for expenditure

1 until the project has been completed:

2 (a) The purpose of the project is to provide assistance and
3 training to Michigan families, counselors, teachers, and community
4 leaders in applying for and securing funds for college to low-
5 income students.

6 (b) The project will be accomplished by state employees and/or
7 by contracts with private vendors.

8 (c) The total estimated cost of the project is \$8,571,000.00.

9 (d) The tentative completion date is September 30, 2012.

10 Sec. 903. By not later than March 1, 2012, the department
11 shall work with districts that operate as a school of excellence
12 cyber school as defined in section 551 of the revised school code,
13 1976 PA 451, MCL 380.551, and districts that operate an alternative
14 education program with a seat-time waiver under section 101 of the
15 state school aid act of 1979, 1979 PA 94, MCL 388.1701, to provide
16 a report to the house and senate chairpersons of the appropriations
17 subcommittees responsible for the department budget, the house and
18 senate fiscal agencies, and the state budget director on all of the
19 following:

20 (a) Each district operating a program and the districts that
21 enroll students in their program.

22 (b) The total number of students and membership pupils
23 enrolled in each program.

24 (c) The district in which each pupil is enrolled if other than
25 the district with the seat-time wavier or the cyber school.

26 (d) The district in which the pupil was enrolled prior to
27 enrolling in the cyber school or the district with a seat-time

1 waiver program.

2 (e) The number of participating students who had previously
3 dropped out of school.

4 (f) The number of participating students who had previously
5 been expelled from school.

6 (g) The cost per pupil paid to each online education provider.

7 (h) The cost per pupil charged to school districts that enroll
8 their students in the program.

9 (i) The name of each online education provider contracted by a
10 district with a seat-time waiver or a cyber school and the state in
11 which the online education provider is located.

12 PART 2A

13 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

14 FOR FISCAL YEAR 2012-2013

15 **GENERAL SECTIONS**

16 Sec. 1201. It is the intent of the legislature to provide
17 appropriations for the fiscal year ending on September 30, 2013 for
18 the line items listed in part 1. The fiscal year 2012-2013
19 appropriations are anticipated to be the same as those for fiscal
20 year 2011-2012, except that the line items will be adjusted for
21 changes in caseload and related costs, federal fund match rates,
22 economic factors, and available revenue. These adjustments will be
23 determined after the January 2012 consensus revenue estimating
24 conference.