

FIRST CONFERENCE REPORT

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

Senate Bill No. 949, entitled

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 201, 201a, 202, 203, 204, 205, 206, 207, 208, 209, 210, 212, 213, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, and 230 (MCL 388.1801, 388.1801a, 388.1802, 388.1803, 388.1804, 388.1805, 388.1806, 388.1807, 388.1808, 388.1809, 388.1810, 388.1812, 388.1813, 388.1817, 388.1818, 388.1819, 388.1820, 388.1821, 388.1822, 388.1823, 388.1824, 388.1825, 388.1826, 388.1827, 388.1828, 388.1829, and 388.1830), as added by 2011 PA 62, and by adding sections 202a and 229a; and to repeal acts and parts of acts.

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 amend 1979 PA 94, entitled "An act to make appropriations to aid in the support of the public schools, the intermediate school districts, community colleges, and public universities of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to create certain funds and provide for their expenditure; to prescribe penalties; and to repeal acts and parts of acts," by amending sections 201, 201a, 202, 203, 204, 205, 206, 207, 208, 209, 210, 210a, 212, 213, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, and 230 (MCL 388.1801, 388.1801a, 388.1802, 388.1803, 388.1804, 388.1805, 388.1806, 388.1807, 388.1808,

388.1809, 388.1810, 388.1810a, 388.1812, 388.1813, 388.1816,
388.1817, 388.1818, 388.1819, 388.1820, 388.1821, 388.1822,
388.1823, 388.1824, 388.1825, 388.1826, 388.1827, 388.1828,
388.1829, and 388.1830), as added by 2011 PA 62, and by adding
sections 202a and 229a; and to repeal acts and parts of acts.

Darwin L. Boohar

Ken Goike

Roger Kahn

Bob Genetski

Glenn Anderson

Sean McCann

Conferees for the Senate

Conferees for the House

**SUBSTITUTE FOR
SENATE BILL NO. 949**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 201, 201a, 202, 203, 204, 205, 206, 207, 208,
209, 210, 210a, 212, 213, 216, 217, 218, 219, 220, 221, 222, 223,
224, 225, 226, 227, 228, 229, and 230 (MCL 388.1801, 388.1801a,
388.1802, 388.1803, 388.1804, 388.1805, 388.1806, 388.1807,
388.1808, 388.1809, 388.1810, 388.1810a, 388.1812, 388.1813,
388.1816, 388.1817, 388.1818, 388.1819, 388.1820, 388.1821,
388.1822, 388.1823, 388.1824, 388.1825, 388.1826, 388.1827,
388.1828, 388.1829, and 388.1830), as added by 2011 PA 62, and by
adding sections 202a and 229a; and to repeal acts and parts of
acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 201. (1) Subject to the conditions set forth in this

article, the amounts listed in ~~subsection~~ **SUBSECTIONS (2) AND (4)** are appropriated for community colleges for the fiscal year ending September 30, ~~2012,~~ **2013**, from the funds indicated in this section.

The following is a summary of the appropriations in ~~subsection~~ **SUBSECTIONS (2) AND (4)**:

(a) The gross appropriation is ~~\$283,880,500.00.~~ **\$294,130,500.00.** After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is ~~\$283,880,500.00.~~ **\$294,130,500.00.**

(b) The sources of the adjusted gross appropriation described in subdivision (a) are as follows:

(i) Total federal revenues, \$0.00.

(ii) Total local revenues, \$0.00.

(iii) Total private revenues, \$0.00.

(iv) Total other state restricted revenues, ~~\$195,880,500.00.~~ **\$197,614,100.00.**

(v) State general fund/general purpose money, ~~\$88,000,000.00.~~ **\$96,516,400.00.**

(2) Subject to subsection (3), the amount appropriated for community college operations is ~~\$283,880,500.00,~~ **\$292,396,900.00,** allocated as follows:

(a) Alpena Community College, ~~\$4,984,300.00.~~ **\$5,111,200.00.**

(b) Bay de Noc Community College, ~~\$5,040,200.00.~~ **\$5,161,300.00.**

(c) Delta College, ~~\$13,336,200.00.~~ **\$13,712,700.00.**

(d) Glen Oaks Community College, ~~\$2,320,900.00.~~ **\$2,383,000.00.**

(e) Gogebic Community College, ~~\$4,140,500.00.~~ **\$4,233,100.00.**

(f) Grand Rapids Community College,

1 ~~\$16,649,700.00~~-\$17,054,300.00.
 2 (g) Henry Ford Community College,
 3 ~~\$20,145,000.00~~-\$20,596,700.00.
 4 (h) Jackson Community College, ~~\$11,219,700.00~~-\$11,491,500.00.
 5 (i) Kalamazoo Valley Community College,
 6 ~~\$11,522,700.00~~-\$11,828,300.00.
 7 (j) Kellogg Community College, ~~\$9,047,900.00~~-\$9,289,300.00.
 8 (k) Kirtland Community College, ~~\$2,872,900.00~~-\$2,968,300.00.
 9 (l) Lake Michigan College, ~~\$4,937,700.00~~-\$5,059,300.00.
 10 (m) Lansing Community College, ~~\$28,651,900.00~~-\$29,335,000.00.
 11 (n) Macomb Community College, ~~\$30,490,300.00~~-\$31,206,500.00.
 12 (o) Mid Michigan Community College,
 13 ~~\$4,266,800.00~~-\$4,393,400.00.
 14 (p) Monroe County Community College,
 15 ~~\$4,094,000.00~~-\$4,223,500.00.
 16 (q) Montcalm Community College, ~~\$2,946,800.00~~-\$3,038,500.00.
 17 (r) C.S. Mott Community College,
 18 ~~\$14,526,400.00~~-\$14,890,400.00.
 19 (s) Muskegon Community College, ~~\$8,256,700.00~~-\$8,456,100.00.
 20 (t) North Central Michigan College,
 21 ~~\$2,886,500.00~~-\$2,979,900.00.
 22 (u) Northwestern Michigan College,
 23 ~~\$8,430,300.00~~-\$8,624,100.00.
 24 (v) Oakland Community College, ~~\$19,455,900.00~~-\$19,977,500.00.
 25 (w) St. Clair County Community College,
 26 ~~\$6,534,100.00~~-\$6,697,300.00.
 27 (x) Schoolcraft College, ~~\$11,477,300.00~~-\$11,800,500.00.

1 (y) Southwestern Michigan College,
 2 ~~\$6,143,700.00.~~ **\$6,269,000.00.**

3 (z) Washtenaw Community College,
 4 ~~\$11,827,300.00.~~ **\$12,242,000.00.**

5 (aa) Wayne County Community College,
 6 ~~\$15,425,900.00.~~ **\$15,798,500.00.**

7 (bb) West Shore Community College,
 8 ~~\$2,248,900.00.~~ **\$2,298,200.00.**

9 **(CC) LOCAL STRATEGIC VALUE, \$1,277,500.00.**

10 (3) The amount appropriated in subsection (2) for community
 11 college operations is appropriated from the following:

12 (a) ~~School~~ **STATE SCHOOL** aid fund, \$195,880,500.00.

13 (b) State general fund/general purpose money,
 14 ~~\$88,000,000.00.~~ **\$96,516,400.00.**

15 **(4) FROM THE APPROPRIATIONS DESCRIBED IN SUBSECTION (1), THERE**
 16 **IS APPROPRIATED FOR FISCAL YEAR 2012-2013 AN AMOUNT NOT TO EXCEED**
 17 **\$1,733,600.00 FOR PAYMENTS TO COMMUNITY COLLEGES FROM THE STATE**
 18 **SCHOOL AID FUND. A COMMUNITY COLLEGE THAT RECEIVES MONEY UNDER THIS**
 19 **SUBSECTION SHALL USE THAT MONEY SOLELY FOR THE PURPOSE OF**
 20 **OFFSETTING A PORTION OF THE RETIREMENT CONTRIBUTIONS OWED BY THE**
 21 **COLLEGE FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2013. THE AMOUNT**
 22 **ALLOCATED TO EACH COMMUNITY COLLEGE UNDER THIS SUBSECTION IS AS**
 23 **FOLLOWS:**

24 **(A) ALPENA COMMUNITY COLLEGE, \$30,400.00.**

25 **(B) BAY DE NOC COMMUNITY COLLEGE, \$30,800.00.**

26 **(C) DELTA COLLEGE, \$81,400.00.**

27 **(D) GLEN OAKS COMMUNITY COLLEGE, \$14,200.00.**

- 1 (E) GOGEBIC COMMUNITY COLLEGE, \$25,300.00.
- 2 (F) GRAND RAPIDS COMMUNITY COLLEGE, \$101,700.00.
- 3 (G) HENRY FORD COMMUNITY COLLEGE, \$123,000.00.
- 4 (H) JACKSON COMMUNITY COLLEGE, \$68,500.00.
- 5 (I) KALAMAZOO VALLEY COMMUNITY COLLEGE, \$70,400.00.
- 6 (J) KELLOGG COMMUNITY COLLEGE, \$55,300.00.
- 7 (K) KIRTLAND COMMUNITY COLLEGE, \$17,500.00.
- 8 (L) LAKE MICHIGAN COLLEGE, \$30,200.00.
- 9 (M) LANSING COMMUNITY COLLEGE, \$175,000.00.
- 10 (N) MACOMB COMMUNITY COLLEGE, \$186,200.00.
- 11 (O) MID MICHIGAN COMMUNITY COLLEGE, \$26,100.00
- 12 (P) MONROE COUNTY COMMUNITY COLLEGE, \$25,000.00.
- 13 (Q) MONTCALM COMMUNITY COLLEGE, \$18,000.00.
- 14 (R) C.S. MOTT COMMUNITY COLLEGE, \$88,700.00.
- 15 (S) MUSKEGON COMMUNITY COLLEGE, \$50,400.00.
- 16 (T) NORTH CENTRAL MICHIGAN COLLEGE, \$17,600.00.
- 17 (U) NORTHWESTERN MICHIGAN COLLEGE, \$51,500.00.
- 18 (V) OAKLAND COMMUNITY COLLEGE, \$118,800.00.
- 19 (W) ST. CLAIR COUNTY COMMUNITY COLLEGE, \$39,900.00.
- 20 (X) SCHOOLCRAFT COLLEGE, \$70,100.00.
- 21 (Y) SOUTHWESTERN MICHIGAN COLLEGE, \$37,500.00.
- 22 (Z) WASHTENAW COMMUNITY COLLEGE, \$72,200.00.
- 23 (AA) WAYNE COUNTY COMMUNITY COLLEGE, \$94,200.00.
- 24 (BB) WEST SHORE COMMUNITY COLLEGE, \$13,700.00.

25 Sec. 201a. It is the intent of the legislature to provide
26 appropriations for the fiscal year ending on September 30, ~~2013~~
27 **2014** for the items listed in section 201. The fiscal year ~~2012-2013~~

1 2013-2014 appropriations are anticipated to be the same as those
2 for fiscal year ~~2011-2012~~, **2012-2013**, except that the amounts will
3 be adjusted for changes in caseload and related costs, federal fund
4 match rates, economic factors, and available revenue. These
5 adjustments will be determined after the January ~~2012-2013~~
6 consensus revenue estimating conference.

7 Sec. 202. ~~The ALL~~ appropriations authorized under this article
8 are subject to the management and budget act, 1984 PA 431, MCL
9 18.1101 to 18.1594.

10 **SEC. 202A. AS USED IN THIS ARTICLE, "WORKFORCE DEVELOPMENT**
11 **AGENCY" MEANS THE WORKFORCE DEVELOPMENT AGENCY OF THE MICHIGAN**
12 **STRATEGIC FUND.**

13 Sec. 203. Unless otherwise specified, a community college
14 ~~receiving~~ **THAT RECEIVES** appropriations in section 201 and the
15 workforce development agency shall use the ~~Internet~~ **INTERNET** to
16 fulfill the reporting requirements of this article. This
17 requirement may include transmission of reports via electronic mail
18 to the recipients identified for each reporting requirement or it
19 may include placement of reports on an ~~Internet~~ **INTERNET** or
20 ~~Intranet~~ **INTRANET** site.

21 Sec. 204. Funds appropriated in section 201 shall not be used
22 for the purchase of foreign goods or services, or both, if
23 competitively priced and of comparable quality American goods or
24 services, or both, are available. Preference should be given to
25 goods or services, or both, manufactured or provided by Michigan
26 businesses, if they are competitively priced and of comparable
27 quality. In addition, preference should be given to goods or

1 services, or both, that are manufactured or provided by Michigan
 2 businesses **THAT ARE** owned and operated by veterans, if they are
 3 competitively priced and of comparable quality.

4 Sec. 205. The principal executive officer of each community
 5 college ~~receiving~~**THAT RECEIVES** appropriations in section 201 shall
 6 take all reasonable steps to ensure businesses in deprived and
 7 depressed communities compete for and perform contracts to provide
 8 services or supplies, or both. Each principal executive officer
 9 shall strongly encourage ~~firms~~**BUSINESSES** with which the community
 10 college contracts to subcontract with certified businesses in
 11 depressed and deprived communities for services or supplies, or
 12 both.

13 Sec. 206. The funds appropriated in section 201 are
 14 appropriated for community colleges with fiscal years ending June
 15 30, ~~2012-2013~~ and shall be paid out of the state treasury and
 16 distributed by the state treasurer to the respective community
 17 colleges in 11 monthly installments on the sixteenth of each month,
 18 or the next succeeding business day, beginning with October 16,
 19 ~~2011-2012~~. Each community college shall accrue its July and August
 20 ~~2012-2013~~ payments to its institutional fiscal year ending June 30,
 21 ~~2012-2013~~. However, if **THE STATE BUDGET DIRECTOR DETERMINES THAT** a
 22 community college ~~fails~~**FAILED** to submit all verified Michigan
 23 community colleges activities classification structure data for
 24 school year ~~2010-2011-2011-2012~~ to the workforce development agency
 25 by November 1, ~~2011-2012~~, **OR FAILED TO SUBMIT ITS LONGITUDINAL**
 26 **DATA SYSTEM DATA SET FOR SCHOOL YEAR 2011-2012 TO THE CENTER FOR**
 27 **EDUCATIONAL PERFORMANCE AND INFORMATION UNDER SECTION 219, THE**

1 **STATE TREASURER SHALL WITHHOLD** the monthly installments ~~shall be~~
 2 ~~withheld~~ from that community college until those data are
 3 submitted. **THE STATE BUDGET DIRECTOR SHALL NOTIFY THE CHAIRS OF THE**
 4 **HOUSE AND SENATE APPROPRIATIONS SUBCOMMITTEES ON COMMUNITY COLLEGES**
 5 **AT LEAST 10 DAYS BEFORE WITHHOLDING FUNDS FROM ANY COMMUNITY**
 6 **COLLEGE.**

7 Sec. 207. (1) A community college shall pay the employer's
 8 contributions to the Michigan public school employees' retirement
 9 system created by the public school employees retirement act of
 10 1979, 1980 PA 300, MCL 38.1301 to 38.1408. ~~as~~ **THIS PAYMENT IS** a
 11 condition of receiving funds appropriated under this article.

12 (2) A community college shall not pay an employer's
 13 contribution to more than 1 retirement fund providing benefits for
 14 an employee.

15 Sec. 208. ~~Money~~ **A COMMUNITY COLLEGE SHALL NOT USE MONEY**
 16 appropriated in section 201 ~~shall not be used to pay for the~~
 17 construction or maintenance of a self-liquidating project. A
 18 community college shall comply with the current use and finance
 19 requirements of the joint capital outlay subcommittee (JCOS) for
 20 any construction, renovation, or other capital outlay projects
 21 pursuant to JCOS policy. The appropriation in section 201 for a
 22 community college that fails to comply with JCOS requirements shall
 23 be reduced by 1% for each violation.

24 Sec. 209. (1) ~~From the funds appropriated in section 201, each~~
 25 ~~community college shall develop, post, and maintain, on a user-~~
 26 ~~friendly and publicly accessible Internet site, a comprehensive~~
 27 ~~report categorizing all institutional general fund expenditures~~

~~made by the community college within a fiscal year. The report shall include institutional general fund expenditure amounts categorized both by each academic unit, administrative unit, or external initiative within the community college and by major expenditure category, including faculty and staff salaries and fringe benefits, facility related costs, supplies and equipment, contracts, and transfers to and from other community college funds. The report shall also include a list of all employee positions funded partially or wholly through institutional general fund revenue that includes the position title, name, and annual salary or wage amount for each position. The community college shall not provide financial information on its website under this section if doing so would violate a federal or state law, rule, regulation, or guideline that establishes privacy or security standards applicable to that financial information.~~ **WITHIN 30 DAYS AFTER THE BOARD OF A COMMUNITY COLLEGE ADOPTS ITS ANNUAL OPERATING BUDGET FOR THE FOLLOWING SCHOOL FISCAL YEAR, OR AFTER THE BOARD ADOPTS A SUBSEQUENT REVISION TO THAT BUDGET, THE COMMUNITY COLLEGE SHALL MAKE ALL OF THE FOLLOWING AVAILABLE THROUGH A LINK ON ITS WEBSITE HOMEPAGE:**

(A) THE ANNUAL OPERATING BUDGET AND SUBSEQUENT BUDGET REVISIONS.

(B) A LINK TO THE MOST RECENT "ACTIVITIES CLASSIFICATION STRUCTURE MANUAL FOR MICHIGAN COMMUNITY COLLEGES".

(C) LINKS TO ALL OF THE FOLLOWING FOR THE COMMUNITY COLLEGE:

(i) THE CURRENT COLLECTIVE BARGAINING AGREEMENT FOR EACH BARGAINING UNIT.

1 (ii) EACH HEALTH CARE BENEFITS PLAN, INCLUDING, BUT NOT LIMITED
2 TO, MEDICAL, DENTAL, VISION, DISABILITY, LONG-TERM CARE, OR ANY
3 OTHER TYPE OF BENEFITS THAT WOULD CONSTITUTE HEALTH CARE SERVICES,
4 OFFERED TO ANY BARGAINING UNIT OR EMPLOYEE OF THE COMMUNITY
5 COLLEGE.

6 (iii) AUDITS AND FINANCIAL REPORTS FOR THE MOST RECENT FISCAL
7 YEAR FOR WHICH THEY ARE AVAILABLE.

8 (iv) A COPY OF THE BOARD OF TRUSTEES RESOLUTION REGARDING
9 COMPLIANCE WITH BEST PRACTICES FOR THE LOCAL STRATEGIC VALUE
10 COMPONENT DESCRIBED IN SECTION 230(3).

11 (2) FOR STATEWIDE CONSISTENCY AND PUBLIC VISIBILITY, COMMUNITY
12 COLLEGES MUST USE THE ICON BADGE PROVIDED BY THE DEPARTMENT OF
13 TECHNOLOGY, MANAGEMENT, AND BUDGET CONSISTENT WITH THE ICON BADGE
14 DEVELOPED BY THE DEPARTMENT OF EDUCATION FOR K-12 SCHOOL DISTRICTS.
15 IT MUST APPEAR ON THE FRONT OF EACH COMMUNITY COLLEGE'S HOMEPAGE.
16 THE SIZE OF THE ICON MAY BE REDUCED TO 150 X 150 PIXELS. TO BE IN
17 COMPLIANCE WITH THIS SECTION, ALL DATA ELEMENTS DEFINED IN THIS
18 SECTION MUST BE AVAILABLE ON THE COLLEGE'S HOMEPAGE BY DECEMBER 31,
19 2012. EACH COMMUNITY COLLEGE SHALL NOTIFY THE STATE BUDGET OFFICE
20 WHEN ALL DATA ELEMENTS DEFINED IN THIS SECTION ARE MADE AVAILABLE
21 ON ITS WEBSITE.

22 (3) THE STATE BUDGET DIRECTOR SHALL DETERMINE WHETHER A
23 COMMUNITY COLLEGE HAS COMPLIED WITH THIS SECTION. THE STATE BUDGET
24 DIRECTOR MAY WITHHOLD A COMMUNITY COLLEGE'S MONTHLY INSTALLMENTS
25 DESCRIBED IN SECTION 206 UNTIL THE COMMUNITY COLLEGE COMPLIES WITH
26 THIS SECTION. THE STATE BUDGET DIRECTOR SHALL NOTIFY THE CHAIRS OF
27 THE HOUSE AND SENATE APPROPRIATIONS SUBCOMMITTEE ON COMMUNITY

1 COLLEGES AT LEAST 10 DAYS BEFORE WITHHOLDING FUNDS FROM ANY
 2 COMMUNITY COLLEGE.

3 (4) ~~(2)~~—Each community college shall report the following
 4 information to the senate and house appropriations subcommittees on
 5 community colleges, the senate and house fiscal agencies, and the
 6 state budget office by November 15, ~~2011~~, ~~2012~~, and post that
 7 information on the Internet website required under subsection (1):

8 (a) Budgeted fiscal year ~~2011-2012-2012-2013~~ general fund
 9 revenue from tuition and fees.

10 (b) Budgeted fiscal year ~~2011-2012-2012-2013~~ general fund
 11 revenue from state appropriations.

12 (c) Budgeted fiscal year ~~2011-2012-2012-2013~~ general fund
 13 revenue from property taxes.

14 (d) Budgeted fiscal year ~~2011-2012-2012-2013~~ total general
 15 fund revenue.

16 (e) Budgeted fiscal year ~~2011-2012-2012-2013~~total general
 17 fund expenditures.

18 Sec. 210. (1) Recognizing the critical importance of education
 19 in strengthening Michigan's workforce, the legislature encourages
 20 ~~the state's public community colleges~~ **EACH COMMUNITY COLLEGE** to
 21 explore ways of increasing collaboration and cooperation with 4-
 22 year universities, particularly in the areas related to training,
 23 instruction, and program articulation.

24 (2) Recognizing the central role of community colleges in
 25 responding to local employment needs and challenges, community
 26 colleges shall develop and continue efforts to collaborate with
 27 local employers and students to identify local employment needs and

1 strategies to meet them.

2 (3) Community colleges are encouraged to collaborate with each
3 other on innovations to identify and meet local employment needs.

4 Sec. 210a. (1) A committee shall be created to develop a
5 process to improve the transferability of core college courses
6 between community colleges and public universities on a statewide
7 basis. Building off of the Michigan association of college
8 registrars and academic officers agreement and existing
9 articulation agreements in place between individual institutions,
10 the committee shall work to develop equivalency standards of core
11 college courses and identify equivalent courses offered by the
12 institutions.

13 (2) The committee shall be composed of the following:

14 (a) ~~Ten~~**FIVE** representatives from community colleges selected
15 by the Michigan community college association.

16 (b) ~~Ten~~**FIVE** representatives from public universities selected
17 by the presidents council, state universities of Michigan.

18 (c) One member of the house of representatives selected by the
19 speaker of the house.

20 (d) One member of the house of representatives selected by the
21 minority leader of the house of representatives.

22 (e) One member of the senate selected by the senate majority
23 leader.

24 (f) One member of the senate selected by the senate minority
25 leader.

26 (3) The committee shall submit ~~an~~ interim project status
27 ~~report~~**REPORTS** to the senate and house appropriations subcommittees

1 on community colleges and higher education, the senate and house
 2 fiscal agencies, and the state budget director by March 1,
 3 ~~2012-2013~~ **AND SEPTEMBER 1, 2013.**

4 Sec. 212. It is the intent of the legislature to encourage
 5 community college districts to evaluate and pursue efficiency and
 6 cost-containment measures that maximize state funding. Community
 7 colleges shall identify practices that increase efficiencies,
 8 including, but not limited to, establishing joint ventures,
 9 consolidating services, utilizing program collaborations,
 10 maximizing educational benefits through optimal class sizes and
 11 frequency of course offerings, increasing web-based instruction,
 12 eliminating low-enrollment and high-cost instructional programs,
 13 using self-insurance, practicing energy conservation, and utilizing
 14 group purchasing. ~~Efficiency efforts~~ **COMMUNITY COLLEGES** shall also
 15 ~~include reviewing~~ **REVIEW** proposed capital outlay projects to
 16 increase coordination and utilization of new facilities, renovation
 17 projects, and technology improvements.

18 Sec. 213. It is the intent of the legislature that community
 19 colleges work with public universities in the state to implement
 20 statewide reverse transfer agreements to increase the number of
 21 students that are awarded credentials of value upon completion of
 22 the necessary credits. ~~In doing so, the institutions should work~~
 23 ~~collaboratively and cooperatively to remove administrative barriers~~
 24 ~~that result in understating the academic attainment of Michigan's~~
 25 ~~citizens. It is the intent of the legislature that by August 1,~~
 26 ~~2012,~~ **THESE** statewide agreements ~~be in place between community~~
 27 ~~colleges and public universities that~~ **SHALL** enable students who

1 have earned a significant number of credits at a community college
2 and transfer to a baccalaureate-granting institution before
3 completing a degree to ~~transfer~~**TRANSFERRED** the credits earned at
4 the baccalaureate institution back to the community college in
5 order to be awarded a credential of value.

6 Sec. 216. (1) It is the intent of the legislature that the
7 senate and house appropriations subcommittees on community
8 colleges, together with the Michigan community college association
9 and other interested stakeholders, review any statutory mandates
10 imposed on community colleges, including those identified by the
11 legislative commission on statutory mandates established under
12 former chapter 7B of the legislative council act, 1986 PA 268, and
13 determine ~~whether~~**IF** those mandates are necessary for the health
14 and safety of students; are essential to the academic integrity of
15 the community colleges; exceed any applicable federal requirements;
16 are superfluous to the core academic programs of the community
17 colleges; and materially impact local control and governance of the
18 colleges.

19 (2) The senate and house appropriations subcommittees on
20 community colleges shall review the estimated costs and benefits of
21 each statutory mandate reviewed under subsection (1) and shall
22 report their findings to the state budget director.

23 Sec. 217. Unless otherwise **SPECIFICALLY** stated, all data items
24 used in determining state aid in this article are as defined in the
25 "2001 Manual for Uniform Financial Reporting, Michigan Public
26 Community Colleges", which shall be the basis for reporting data,
27 and the "Activities Classification Structure Manual for Michigan

1 Community Colleges", as amended, which shall be used to document
2 financial needs of the community colleges.

3 Sec. 218. ~~A community college~~ **COMMUNITY COLLEGES** shall not
4 include in the enrollment data reported for determining state aid
5 under this article any student credit hours or student contact
6 hours for a student incarcerated in a Michigan penal institution.
7 Exclusion of these students is intended to avoid the payment of
8 state aid under this article for the same individuals for whom
9 reimbursement is provided by the state correctional system.

10 Sec. 219. ~~A community college receiving funds in section 201~~
11 ~~shall cooperate with the state's efforts to establish a statewide~~
12 ~~P-20 education longitudinal data system to comply with the state~~
13 ~~fiscal stabilization fund provisions of the American recovery and~~
14 ~~reinvestment act of 2009, Public Law 111-5.~~ **BY JUNE 30 OF EACH YEAR,**
15 **EACH COMMUNITY COLLEGE SHALL PROVIDE ITS LONGITUDINAL DATA SYSTEM**
16 **DATA SET FOR THE PRECEDING ACADEMIC YEAR TO THE CENTER FOR**
17 **EDUCATIONAL PERFORMANCE AND INFORMATION FOR INCLUSION IN THE**
18 **STATEWIDE P-20 EDUCATION LONGITUDINAL DATA SYSTEM DESCRIBED IN**
19 **SECTION 94A.**

20 Sec. 220. (1) The auditor general or a certified public
21 accountant appointed by the auditor general may conduct performance
22 audits of community colleges as the auditor general considers
23 necessary.

24 (2) ~~Not more than~~ **WITHIN** 60 days after an audit report is
25 released by the office of the auditor general, the principal
26 executive officer of the community college that was audited shall
27 submit to the house and senate appropriations committees, the house

1 and senate fiscal agencies, the workforce development agency, the
2 auditor general, and the state budget director a plan to comply
3 with audit recommendations. The plan shall contain projected dates
4 and resources required, if any, to achieve compliance with the
5 audit recommendations, or a documented explanation of the college's
6 noncompliance with the audit recommendations concerning the matters
7 on which the audited community college and office of the auditor
8 general disagree.

9 Sec. 221. (1) A community college shall retain certified class
10 summaries, class lists, registration documents, and student
11 transcripts that are consistent with the taxonomy of courses. For
12 each enrollment period during the fiscal year, these certified
13 documents shall identify clearly by course the number of in-
14 district and out-of-district student credit and contact hours. The
15 class summaries and class lists shall be consistent with each other
16 and shall include the course prefix and numbers, course title,
17 course credit and contact hours, credit and contact hours generated
18 by each student, and activity classifications consistent with the
19 taxonomy. An auditable process shall be used by the community
20 college to determine the unduplicated head count for in-district
21 students, out-of-district students, and prisoners for each
22 enrollment period during the fiscal year.

23 (2) ~~Contracts~~ **A COMMUNITY COLLEGE SHALL RETAIN ALL CONTRACTS**
24 between the community college and agencies that reimburse the
25 community college for the costs of instruction ~~shall be retained~~
26 for audit purposes.

27 Sec. 222. Each community college shall have an annual audit of

1 all income and expenditures performed by an independent auditor and
 2 shall furnish the independent auditor's management letter and an
 3 annual audited accounting of all general and current funds income
 4 and expenditures including audits of college foundations to the
 5 members of the senate and house appropriations subcommittees on
 6 community colleges, the senate and house fiscal agencies, the
 7 auditor general, the workforce development agency, and the state
 8 budget director before November 15 ~~, 2011.~~ **OF EACH YEAR.** If a
 9 community college fails to furnish the audit materials, the monthly
 10 state aid installments shall be withheld from that college until
 11 the information is submitted. All reporting shall conform to the
 12 requirements set forth in the "2001 Manual for Uniform Financial
 13 Reporting, Michigan Public Community Colleges". It is the intent of
 14 the legislature that a community college shall make the information
 15 the community college is required to provide under this section
 16 available to the public on its ~~Internet~~ **INTERNET** website.

17 Sec. 223. Each community college shall report the following to
 18 the workforce development agency no later than November 1 ~~, 2011.~~ **OF**
 19 **EACH YEAR:**

20 (a) The number of North American Indian students enrolled each
 21 term for the previous fiscal year, using guidelines and procedures
 22 developed by the workforce development agency and the ~~Michigan~~
 23 ~~commission on Indian affairs.~~ **DEPARTMENT OF CIVIL RIGHTS.**

24 (b) The number of North American Indian tuition waivers
 25 granted each term, and the monetary value of the waivers for the
 26 previous fiscal year.

27 Sec. 224. Upon request, a community college shall inform

1 interested Michigan high schools of the aggregate academic status
 2 of its students for the ~~prior~~**PREVIOUS** academic year, in a manner
 3 prescribed by the Michigan community college association and in
 4 cooperation with the Michigan association of secondary school
 5 principals. **COMMUNITY COLLEGES SHALL COOPERATE WITH THE CENTER FOR**
 6 **EDUCATIONAL PERFORMANCE AND INFORMATION TO DESIGN AND IMPLEMENT A**
 7 **SYSTEMATIC APPROACH FOR ACCOMPLISHING THIS WORK.**

8 Sec. 225. Each community college shall report to the house and
 9 senate fiscal agencies, the state budget director, and the
 10 workforce development agency by August 31, ~~2011~~**2012**, the tuition
 11 and mandatory fees paid by a full-time in-district student and a
 12 full-time out-of-district student as established by the college
 13 governing board for the ~~2010-2011~~**2011-2012** academic year. This
 14 report should also include the annual cost of attendance based on a
 15 full-time course load of 30 credits. Each community college shall
 16 also report any revisions to the reported ~~2010-2011~~**2011-2012**
 17 academic year tuition and mandatory fees adopted by the college
 18 governing board to the house and senate fiscal agencies, the state
 19 budget director, and the workforce development agency within 15
 20 days of being adopted.

21 Sec. 226. Each community college shall report to the workforce
 22 development agency the numbers and type of associate degrees and
 23 other certificates awarded during the previous fiscal year. The
 24 report shall be made not later than November 15 ~~, 2011~~**.OF EACH**
 25 **YEAR.**

26 Sec. 227. ~~Funds~~**A COMMUNITY COLLEGE SHALL NOT USE FUNDS**
 27 appropriated in section 201 ~~shall not be used~~ to enter into a lease

1 for, or to purchase, a vehicle assembled or manufactured outside of
 2 the United States if competitively priced and comparable quality
 3 vehicles made in the state of Michigan or elsewhere in the United
 4 States of America are available.

5 Sec. 228. A community college shall not take disciplinary
 6 action against an employee for communicating with a member of the
 7 legislature or ~~his or her~~ **THE LEGISLATOR'S** staff.

8 Sec. 229. It is the intent of the legislature that each
 9 community college ~~receiving~~ **THAT RECEIVES** an appropriation in
 10 section 201 include in its admission application process a specific
 11 question as to whether an applicant for admission is a veteran, an
 12 active member of the military, a member of the national guard or
 13 military reserves, or the spouse or dependent of a veteran, active
 14 member of the military, or member of the national guard or military
 15 reserves, in order to more quickly identify potential educational
 16 assistance available to that applicant. As used in this section,
 17 "veteran" means an honorably discharged veteran entitled to
 18 educational assistance under the provisions of section 5003 of the
 19 post-911 veterans educational assistance act of 2008, ~~title V of~~
 20 ~~Public Law 110-252,~~ 38 USC 3301 to 3324.

21 **SEC. 229A. INCLUDED IN THE FISCAL YEAR 2012-2013**
 22 **APPROPRIATIONS FOR THE DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND**
 23 **BUDGET ARE APPROPRIATIONS TO PROVIDE FUNDING FOR THE STATE SHARE OF**
 24 **COSTS FOR PREVIOUSLY CONSTRUCTED CAPITAL PROJECTS FOR COMMUNITY**
 25 **COLLEGES. THOSE APPROPRIATIONS FOR STATE BUILDING AUTHORITY RENT**
 26 **REPRESENT ADDITIONAL STATE GENERAL FUND SUPPORT FOR COMMUNITY**
 27 **COLLEGES, AND THE FOLLOWING IS AN ESTIMATE OF THE AMOUNT OF THAT**

1 SUPPORT TO EACH COMMUNITY COLLEGE:

- 2 (A) ALPENA COMMUNITY COLLEGE, \$428,100.00.
- 3 (B) BAY DE NOC COMMUNITY COLLEGE, \$618,000.00.
- 4 (C) DELTA COLLEGE, \$2,610,000.00.
- 5 (D) GLEN OAKS COMMUNITY COLLEGE, \$123,000.00.
- 6 (E) GOGEBIC COMMUNITY COLLEGE, \$60,000.00.
- 7 (F) GRAND RAPIDS COMMUNITY COLLEGE, \$1,675,000.00.
- 8 (G) HENRY FORD COMMUNITY COLLEGE, \$1,110,000.00.
- 9 (H) JACKSON COMMUNITY COLLEGE, \$1,563,000.00.
- 10 (I) KALAMAZOO VALLEY COMMUNITY COLLEGE, \$1,467,000.00.
- 11 (J) KELLOGG COMMUNITY COLLEGE, \$520,000.00.
- 12 (K) KIRTLAND COMMUNITY COLLEGE, \$363,300.00.
- 13 (L) LAKE MICHIGAN COLLEGE, \$340,000.00.
- 14 (M) LANSING COMMUNITY COLLEGE, \$384,000.00.
- 15 (N) MACOMB COMMUNITY COLLEGE, \$1,313,100.00.
- 16 (O) MID MICHIGAN COMMUNITY COLLEGE, \$915,000.00.
- 17 (P) MONROE COUNTY COMMUNITY COLLEGE, \$1,355,000.00.
- 18 (Q) MONTCALM COMMUNITY COLLEGE, \$756,000.00.
- 19 (R) C.S. MOTT COMMUNITY COLLEGE, \$1,803,000.00.
- 20 (S) MUSKEGON COMMUNITY COLLEGE, \$198,000.00.
- 21 (T) NORTHWESTERN MICHIGAN COLLEGE, \$1,305,000.00.
- 22 (U) OAKLAND COMMUNITY COLLEGE, \$465,000.00.
- 23 (V) ST. CLAIR COUNTY COMMUNITY COLLEGE, \$356,100.00.
- 24 (W) SCHOOLCRAFT COLLEGE, \$1,546,100.00.
- 25 (X) SOUTHWESTERN MICHIGAN COLLEGE, \$530,600.00.
- 26 (Y) WASHTENAW COMMUNITY COLLEGE, \$1,993,000.00.
- 27 (Z) WAYNE COUNTY COMMUNITY COLLEGE, \$1,890,000.00.

1 (AA) WEST SHORE COMMUNITY COLLEGE, \$577,000.00.

2 Sec. 230. (1) It is the intent of the legislature that the
3 recommendations and performance measures developed by the
4 performance indicators task force formed pursuant to ~~UNDER~~ section
5 242 of 2005 PA 154 be reviewed and more fully implemented for
6 distribution of state funding to community colleges in future
7 years. ~~Specifically, it is the intent of the legislature that the~~
8 ~~performance indicators task force review and implement 1 or more~~
9 ~~measurable data items for the local strategic value indicator and~~
10 ~~review and implement 1 or more measurable data items for an~~
11 ~~administrative cost formula component.~~

12 (2) ANY ADDITIONAL FUNDING PROVIDED TO COMMUNITY COLLEGE
13 OPERATIONS UNDER SECTION 201(2) IN FISCAL YEAR 2012-2013 THAT
14 EXCEEDS THE AMOUNTS APPROPRIATED FOR OPERATIONS IN FISCAL YEAR
15 2011-2012 IS ALLOCATED SOLELY FOR THE PURPOSE OF OFFSETTING A
16 PORTION OF THE RETIREMENT CONTRIBUTIONS OWED BY THE COLLEGE FOR THE
17 FISCAL YEAR ENDING SEPTEMBER 30, 2013. THE ADDITIONAL FUNDING IS
18 DISTRIBUTED BASED ON THE FOLLOWING FORMULA:

19 (A) ALLOCATED PROPORTIONATE TO FISCAL YEAR 2011-2012 BASE
20 APPROPRIATIONS, 50%.

21 (B) BASED ON CONTACT HOUR EQUATED STUDENTS, 10%.

22 (C) BASED ON ADMINISTRATIVE COSTS, 7.5%.

23 (D) BASED ON A WEIGHTED DEGREE FORMULA AS PROVIDED FOR IN THE
24 2006 RECOMMENDATIONS OF THE PERFORMANCE INDICATORS TASK FORCE,
25 17.5%.

26 (E) BASED ON THE LOCAL STRATEGIC VALUE COMPONENT, AS DEVELOPED
27 IN COOPERATION WITH THE MICHIGAN COMMUNITY COLLEGE ASSOCIATION AND

1 DESCRIBED IN SUBSECTION (3), 15%.

2 (3) THE APPROPRIATION IN SECTION 201(2)(CC) FOR LOCAL
3 STRATEGIC VALUE SHALL BE ALLOCATED TO EACH COMMUNITY COLLEGE THAT
4 CERTIFIES TO THE STATE BUDGET DIRECTOR, THROUGH A BOARD OF TRUSTEES
5 RESOLUTION ON OR BEFORE NOVEMBER 1, 2012, THAT THE COLLEGE HAS MET
6 4 OUT OF 5 BEST PRACTICES LISTED IN EACH CATEGORY DESCRIBED IN
7 SUBSECTION (4). THE RESOLUTION SHALL PROVIDE SPECIFICS AS TO HOW
8 THE COMMUNITY COLLEGE MEETS EACH BEST PRACTICE MEASURE WITHIN EACH
9 CATEGORY. ONE-THIRD OF FUNDING AVAILABLE UNDER THE STRATEGIC VALUE
10 COMPONENT SHALL BE ALLOCATED TO EACH CATEGORY DESCRIBED IN
11 SUBSECTION (4). AMOUNTS DISTRIBUTED UNDER LOCAL STRATEGIC VALUE
12 SHALL BE ON A PROPORTIONATE BASIS TO EACH COLLEGE'S FISCAL YEAR
13 2011-2012 OPERATIONS FUNDING. PAYMENTS TO COMMUNITY COLLEGES THAT
14 QUALIFY FOR LOCAL STRATEGIC VALUE FUNDING SHALL BE DISTRIBUTED WITH
15 THE NOVEMBER INSTALLMENT PAYMENT DESCRIBED IN SECTION 206.

16 (4) FOR PURPOSES OF SUBSECTION (3), THE FOLLOWING CATEGORIES
17 OF BEST PRACTICES REFLECT FUNCTIONAL ACTIVITIES OF COMMUNITY
18 COLLEGES THAT HAVE STRATEGIC VALUE TO THE LOCAL COMMUNITIES AND
19 REGIONAL ECONOMIES:

20 (A) FOR CATEGORY A, ECONOMIC DEVELOPMENT AND BUSINESS OR
21 INDUSTRY PARTNERSHIPS, THE FOLLOWING:

22 (i) THE COMMUNITY COLLEGE HAS ACTIVE PARTNERSHIPS WITH LOCAL
23 EMPLOYERS INCLUDING HOSPITALS AND HEALTH CARE PROVIDERS.

24 (ii) THE COMMUNITY COLLEGE PROVIDES CUSTOMIZED ON-SITE TRAINING
25 FOR AREA COMPANIES, EMPLOYEES, OR BOTH.

26 (iii) THE COMMUNITY COLLEGE SUPPORTS ENTREPRENEURSHIP THROUGH A
27 SMALL BUSINESS ASSISTANCE CENTER OR OTHER TRAINING OR CONSULTING

1 ACTIVITIES TARGETED TOWARD SMALL BUSINESSES.

2 (iv) THE COMMUNITY COLLEGE SUPPORTS TECHNOLOGICAL ADVANCEMENT
3 THROUGH INDUSTRY PARTNERSHIPS, INCUBATION ACTIVITIES, OR OPERATION
4 OF A MICHIGAN TECHNICAL EDUCATION CENTER OR OTHER ADVANCED
5 TECHNOLOGY CENTER.

6 (v) THE COMMUNITY COLLEGE HAS ACTIVE PARTNERSHIPS WITH LOCAL
7 OR REGIONAL WORKFORCE AND ECONOMIC DEVELOPMENT AGENCIES.

8 (B) FOR CATEGORY B, EDUCATIONAL PARTNERSHIPS, THE FOLLOWING:

9 (i) THE COMMUNITY COLLEGE HAS ACTIVE PARTNERSHIPS WITH REGIONAL
10 HIGH SCHOOLS, INTERMEDIATE SCHOOL DISTRICTS, AND CAREER-TECH
11 CENTERS TO PROVIDE INSTRUCTION THROUGH DUAL ENROLLMENT, DIRECT
12 CREDIT, MIDDLE COLLEGE, OR ACADEMY PROGRAMS.

13 (ii) THE COMMUNITY COLLEGE HOSTS, SPONSORS, OR PARTICIPATES IN
14 ENRICHMENT PROGRAMS FOR AREA K-12 STUDENTS, SUCH AS COLLEGE DAYS,
15 SUMMER OR AFTER-SCHOOL PROGRAMMING, OR SCIENCE OLYMPIAD.

16 (iii) THE COMMUNITY COLLEGE PROVIDES, SUPPORTS, OR PARTICIPATES
17 IN PROGRAMMING TO PROMOTE SUCCESSFUL TRANSITIONS TO COLLEGE FOR
18 TRADITIONAL AGE STUDENTS, INCLUDING GRANT PROGRAMS SUCH AS TALENT
19 SEARCH, UPWARD BOUND, OR OTHER ACTIVITIES TO PROMOTE COLLEGE
20 READINESS IN AREA HIGH SCHOOLS AND COMMUNITY CENTERS.

21 (iv) THE COMMUNITY COLLEGE PROVIDES, SUPPORTS, OR PARTICIPATES
22 IN PROGRAMMING TO PROMOTE SUCCESSFUL TRANSITIONS TO COLLEGE FOR NEW
23 OR REENTERING ADULT STUDENTS, SUCH AS ADULT BASIC EDUCATION, GED
24 PREPARATION, GED TESTING, OR RECRUITING, ADVISING, OR ORIENTATION
25 ACTIVITIES SPECIFIC TO ADULTS.

26 (v) THE COMMUNITY COLLEGE HAS ACTIVE PARTNERSHIPS WITH
27 REGIONAL 4-YEAR COLLEGES AND UNIVERSITIES TO PROMOTE SUCCESSFUL

1 TRANSFER, SUCH AS ARTICULATION, 2+2, OR REVERSE TRANSFER AGREEMENTS
2 OR OPERATION OF A UNIVERSITY CENTER.

3 (C) FOR CATEGORY C, COMMUNITY SERVICES, THE FOLLOWING:

4 (i) THE COMMUNITY COLLEGE PROVIDES CONTINUING EDUCATION
5 PROGRAMMING FOR LEISURE, WELLNESS, PERSONAL ENRICHMENT, OR
6 PROFESSIONAL DEVELOPMENT.

7 (ii) THE COMMUNITY COLLEGE OPERATES OR SPONSORS OPPORTUNITIES
8 FOR COMMUNITY MEMBERS TO ENGAGE IN ACTIVITIES THAT PROMOTE LEISURE,
9 WELLNESS, CULTURAL OR PERSONAL ENRICHMENT SUCH AS COMMUNITY SPORTS
10 TEAMS, THEATER OR MUSICAL ENSEMBLES, OR ARTIST GUILDS.

11 (iii) THE COMMUNITY COLLEGE OPERATES PUBLIC FACILITIES TO
12 PROMOTE CULTURAL, EDUCATIONAL, OR PERSONAL ENRICHMENT FOR COMMUNITY
13 MEMBERS, SUCH AS LIBRARIES, COMPUTER LABS, PERFORMING ARTS CENTERS,
14 MUSEUMS, ART GALLERIES, OR TELEVISION OR RADIO STATIONS.

15 (iv) THE COMMUNITY COLLEGE OPERATES PUBLIC FACILITIES TO
16 PROMOTE LEISURE OR WELLNESS ACTIVITIES FOR COMMUNITY MEMBERS,
17 INCLUDING GYMNASIUMS, ATHLETIC FIELDS, TENNIS COURTS, FITNESS
18 CENTERS, HIKING OR BIKING TRAILS, OR NATURAL AREAS.

19 (v) THE COMMUNITY COLLEGE PROMOTES, SPONSORS, OR HOSTS
20 COMMUNITY SERVICE ACTIVITIES FOR STUDENTS, STAFF, OR COMMUNITY
21 MEMBERS.

22 Enacting section 1. In accordance with section 30 of article
23 IX of the state constitution of 1963, total state spending from
24 state sources for community colleges for fiscal year 2012-2013
25 under article II is estimated at \$294,130,500.00 and the amount of
26 that state spending from state sources to be paid to local units of
27 government for fiscal year 2012-2013 is estimated at

1 \$294,130,500.00.

2 Enacting section 2. Sections 211 and 214 of the state school
3 aid act of 1979, 1979 PA 94, MCL 388.1811 and 388.1814, are
4 repealed.

5 Enacting section 3. This amendatory act takes effect October
6 1, 2012.