



Senate Fiscal Agency
P.O. Box 30036
Lansing, Michigan 48909-7536



Telephone: (517) 373-2768
Fax: (517) 373-1986

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2015-16 YEAR-TO-DATE	FY 2016-17 CONFERENCE	CHANGES FROM FY 2015-16 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	N/A	N/A	0.0	0.0
GROSS	387,825,600	395,925,600	8,100,000	2.1
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS	387,825,600	395,925,600	8,100,000	2.1
Less:				
Federal Funds.....	0	0	0	0.0
Local and Private	0	0	0	0.0
TOTAL STATE SPENDING	387,825,600	395,925,600	8,100,000	2.1
Less:				
Other State Restricted Funds.....	256,714,800	260,414,800	3,700,000	1.4
GENERAL FUND/GENERAL PURPOSE	131,110,800	135,510,800	4,400,000	3.4
PAYMENTS TO LOCALS	387,825,600	395,925,600	8,100,000	2.1

FY 2015-16 Year-to-Date Gross Appropriation \$387,825,600

Changes from FY 2015-16 Year-to-Date:

Items Included by the Senate and House

- 1. **Michigan Public School Employees Retirement System (MPSERS) Rate Cap.** 3,700,000
Governor, Senate, and House included \$3.7 million School Aid Fund (SAF) to continue funding the difference between the employer's capped contribution rate for unfunded accrued liabilities (20.96%) and the actual unfunded actuarial accrued liability contributions rate. MPSERS reform legislation requires the State to pay the difference between these amounts. The FY 2016-17 MPSERS appropriation totals \$73.2 million.
- 2. **Other Changes.** Governor, Senate, and House shifted \$52.3 million SAF from college operations (\$50.7 million) and renaissance zone reimbursements (\$1.6 million) to the MPSERS appropriation to effectively fund the entire MPSERS appropriation from the SAF. 0

Conference Agreement on Items of Difference

- 3. **College Operations.** Governor included a \$7.5 million GF/GP (2.4%) increase distributed through a modified version of the 2016 Performance Indicators Review Task Force recommendations. Senate included the \$7.5 million increase but distributed funding based on the Task Force model without the Governor's modifications. House included a \$10.6 million GF/GP (3.4%) increase distributed according to the Performance Indicators Review Task Force recommendations. Conference included a \$4.4 million GF/GP (1.4%) increase distributed pursuant to the Performance Indicators Review Task Force recommendations. Funding distributions by college are included in Tables 1 and 2. 4,400,000

Total Changes \$8,100,000

FY 2016-17 Conference Report Ongoing/One-Time Gross Appropriation \$395,925,600

Amount Over/(Under) GF/GP Target: \$0

Boilerplate Changes from FY 2015-16 Year-to-Date:Items Included by the Senate and House

1. **Restored Provisions.** Senate and House restored the following sections that were deleted by the Governor: Anticipated appropriations for subsequent fiscal year (Sec. 201a); prohibits use of appropriations for construction or maintenance of self-liquidating projects and requires compliance with Section 238 of the Management and Budget Act and Joint Capital Outlay Subcommittee use and finance requirements – includes penalty for noncompliance (Sec. 208); prohibition on use of appropriations for purchase or lease of foreign automobiles (Sec. 227); and prohibition on disciplinary action against employee for communicating with a member of the Legislature or legislative staff (Sec. 228).
2. **Center for Educational Performance and Information (CEPI).** Governor, Senate, and House modified several sections based on CEPI assuming responsibility for the Community College Activities Classification Structure (ACS). (Secs. 203, 206, 217, 222, 225, and 226).
3. **Deleted Provisions.** Governor, Senate, and House eliminated the section that created the Performance Indicators Review Task Force. (Sec. 230a)

Conference Agreement on Items of Difference

4. **Transparency.** Governor and House eliminated reporting of cost estimate for Affordable Health Care Act and provision authorizing State Budget Director to determine compliance with transparency requirements and the Budget Director's authority to withhold funds for noncompliance. Senate maintained current-year provisions. Conference concurred with Senate. (Sec. 209)
5. **Block Transfers.** Governor, Senate, and House replaced implementation language regarding the Michigan Transfer Agreement (Block Transfers/30 credits) with language requiring the Michigan Community College Association and the Michigan Association of State Universities to submit a progress report on implementation by March 1, 2017, that specifically includes a summary of implementation issues faced by the institutions and strategies being considered to remedy those issues, and an update on progress made on outstanding issues identified in the March 1, 2016, report. Senate and House added reporting requirement regarding improvements to articulation and credit transfer policies among and between all sectors of postsecondary education pursuant to requirements included in former section 210c (Block Transfers/60 credits). There are wording differences in how sections were amended between the Senate and House. Conference concurred with Senate. (Sec. 210b)
6. **Academic Program Partnerships.** Senate added new language added that requires the Michigan Community College Association, the Michigan Association of State Universities, and the Michigan Independent Colleges and Universities, on behalf of their member colleges and universities, to submit a comprehensive report detailing the number of academic program partnerships between public community colleges, public universities, and private colleges and universities. Conference concurred with the Senate. (Sec. 210e)
7. **Cost Containment/Efficiencies.** States legislative intent to encourage community college districts to evaluate and pursue efficiency and cost-containment measures that maximize State funding. Governor removed this section. Senate and House restored. Senate replaced legislative intent statement with general encouragement statement. Conference concurred with Senate. (Sec. 212)
8. **Indian Tuition Waivers.** Requires community colleges to report to the Workforce Development Agency (WDA) the number of North American Indian students enrolled, waivers granted, and the monetary value of the waivers. House changed reporting date from November 1 to February 15 and transferred the responsibility for the report from the WDA to the Department of Civil Rights. House required more specific information including waiver applications received, the number of students that withdrew, degree and certificate completions, and graduation data listed by level of certificate/degree. Conference concurred with House. (Sec. 223)
9. **Performance Indicators Task Force.** Delineates formula. Senate and House included formula as recommended by the 2016 Performance Indicators Review Task Force. Minor wording differences between Senate and House. Conference concurred with House. (Sec. 230)

Date Completed: 5-25-16

Fiscal Analyst: Bill Bowerman

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberation.

Table 1: FY 2016-17 Community College Appropriation

College	FY 2015-16 Year-To-Date	FY 2016-17 Governor's Recommendation			FY 2016-17 Senate			FY 2016-17 House			FY 2016-17 Conference		
		Adjustments	Appropriation	Percent Change	Adjustments	Appropriation	Percent Change	Adjustments	Appropriation	Percent Change	Adjustments	Appropriation	Percent Change
Alpena	\$5,464,400	\$162,700	\$5,627,100	3.0%	136,800	\$5,601,200	2.5%	\$193,200	\$5,657,600	3.5%	\$80,300	\$5,544,700	1.5%
Bay de Noc	5,490,200	100,900	5,591,100	1.8%	120,500	5,610,700	2.2%	170,100	5,660,300	3.1%	70,700	5,560,900	1.3%
Delta	14,704,000	348,400	15,052,400	2.4%	347,200	15,051,200	2.4%	490,300	15,194,300	3.3%	203,700	14,907,700	1.4%
Glen Oaks	2,551,100	45,600	2,596,700	1.8%	61,100	2,612,200	2.4%	86,300	2,637,400	3.4%	35,800	2,586,900	1.4%
Gogebic	4,509,900	117,000	4,626,900	2.6%	115,700	4,625,600	2.6%	163,400	4,673,300	3.6%	67,900	4,577,800	1.5%
Grand Rapids	18,187,300	444,400	18,631,700	2.4%	448,700	18,636,000	2.5%	633,600	18,820,900	3.5%	263,200	18,450,500	1.4%
Henry Ford	21,893,300	454,200	22,347,500	2.1%	481,900	22,375,200	2.2%	680,500	22,573,800	3.1%	282,700	22,176,000	1.3%
Jackson	12,245,300	259,100	12,504,400	2.1%	259,600	12,504,900	2.1%	366,500	12,611,800	3.0%	152,300	12,397,600	1.2%
Kalamazoo Valley	12,689,400	326,300	13,015,700	2.6%	314,500	13,003,900	2.5%	444,100	13,133,500	3.5%	184,500	12,873,900	1.5%
Kellogg	9,950,100	209,700	10,159,800	2.1%	234,200	10,184,300	2.4%	330,700	10,280,800	3.3%	137,400	10,087,500	1.4%
Kirtland	3,221,500	81,800	3,303,300	2.5%	82,600	3,304,100	2.6%	116,600	3,338,100	3.6%	48,500	3,270,000	1.5%
Lake Michigan	5,417,700	147,900	5,565,600	2.7%	127,900	5,545,600	2.4%	180,600	5,598,300	3.3%	75,100	5,492,800	1.4%
Lansing	31,288,200	627,100	31,915,300	2.0%	663,400	31,951,600	2.1%	936,800	32,225,000	3.0%	389,100	31,677,300	1.2%
Macomb	33,239,500	660,700	33,900,200	2.0%	754,100	33,993,600	2.3%	1,064,800	34,304,300	3.2%	442,300	33,681,800	1.3%
Mid Michigan	4,757,700	159,600	4,917,300	3.4%	130,100	4,887,800	2.7%	183,800	4,941,500	3.9%	76,400	4,834,100	1.6%
Monroe	4,565,600	113,500	4,679,100	2.5%	121,100	4,686,700	2.7%	171,100	4,736,700	3.7%	71,100	4,636,700	1.6%
Montcalm	3,280,600	123,400	3,404,000	3.8%	106,500	3,387,100	3.2%	150,400	3,431,000	4.6%	62,500	3,343,100	1.9%
Mott	15,901,700	376,700	16,278,400	2.4%	364,500	16,266,200	2.3%	514,700	16,416,400	3.2%	213,800	16,115,500	1.3%
Muskegon	9,020,700	248,000	9,268,700	2.7%	221,300	9,242,000	2.5%	312,600	9,333,300	3.5%	129,900	9,150,600	1.4%
North Central	3,224,800	120,300	3,345,100	3.7%	111,800	3,336,600	3.5%	157,800	3,382,600	4.9%	65,600	3,290,400	2.0%
Northwestern	9,200,500	209,500	9,410,000	2.3%	200,300	9,400,800	2.2%	282,800	9,483,300	3.1%	117,500	9,318,000	1.3%
Oakland	21,429,400	548,800	21,978,200	2.6%	582,200	22,011,600	2.7%	822,100	22,251,500	3.8%	341,500	21,770,900	1.6%
Schoolcraft	12,706,400	351,400	13,057,800	2.8%	345,900	13,052,300	2.7%	488,400	13,194,800	3.8%	202,900	12,909,300	1.6%
Southwestern	6,657,600	116,000	6,773,600	1.7%	127,600	6,785,200	1.9%	180,200	6,837,800	2.7%	74,900	6,732,500	1.1%
St. Clair	7,158,000	179,100	7,337,100	2.5%	172,600	7,330,600	2.4%	243,800	7,401,800	3.4%	101,300	7,259,300	1.4%
Washtenaw	13,301,100	423,600	13,724,700	3.2%	397,000	13,698,100	3.0%	560,600	13,861,700	4.2%	232,900	13,534,000	1.8%
Wayne County	16,989,800	463,000	17,452,800	2.7%	416,600	17,406,400	2.5%	588,300	17,578,100	3.5%	244,400	17,234,200	1.4%
West Shore	2,446,200	81,300	2,527,500	3.3%	54,300	2,500,500	2.2%	76,600	2,522,800	3.1%	31,800	2,478,000	1.3%
Subtotal Operations:	\$311,492,000	\$7,500,000	\$318,992,000	2.4%	\$7,500,000	\$318,992,000	2.4%	\$10,590,700	\$322,082,700	3.4%	\$4,400,000	\$315,892,000	1.4%
MPERS Retiree Health Care	1,733,600	0	1,733,600	0.0%	0	1,733,600	0.0%	0	1,733,600	0.0%	0	1,733,600	0.0%
MPERS Reform Costs	69,500,000	3,700,000	73,200,000	5.3%	3,700,000	73,200,000	5.3%	3,700,000	73,200,000	5.3%	3,700,000	73,200,000	5.3%
Renaissance Zone Reimbursements	5,100,000	0	5,100,000	0.0%	0	5,100,000	0.0%	0	5,100,000	0.0%	0	5,100,000	0.0%
Total Appropriations:	\$387,825,600	\$11,200,000	\$399,025,600	2.9%	\$11,200,000	\$399,025,600	2.9%	\$14,290,700	\$402,116,300	3.7%	\$8,100,000	\$395,925,600	2.1%
State School Aid Fund	256,714,800	3,700,000	260,414,800	1.4%	3,700,000	260,414,800	1.4%	\$3,700,000	260,414,800	1.4%	3,700,000	260,414,800	1.4%
GF/GP	\$131,110,800	\$7,500,000	\$138,610,800	5.7%	\$7,500,000	\$138,610,800	5.7%	\$10,590,700	\$141,701,500	8.1%	\$4,400,000	\$135,510,800	3.4%

Table 2: FY 2016-17 Community College Appropriations: Conference Report

College	FY 2015-16 Enacted	FY 2015-16 Year-To-Date	FY 2016-17 Adjustments											FY 2016-17 Appropriation	Percent Change
			30.0% Sustainability*	10.0% Performance Improvement	10.0% Performance Completion #	10.0% Performance Completion Rate	30.0% Contact Hours	5.0% Administrative Costs	5.0% Local Strategic Value	Total Formula Distribution	Non-Formula Adjustments*	Total Adjustments			
Alpena	\$5,464,400	\$5,464,400	23,156	23,971	4,860	6,175	11,415	6,820	3,859	\$80,300		\$80,300	\$5,544,700	1.5%	
Bay de Noc	5,490,200	5,490,200	23,266	6,204	6,029	12,231	13,909	5,153	3,878	70,700		70,700	5,560,900	1.3%	
Delta	14,704,000	14,704,000	62,311	16,678	29,868	16,616	58,152	9,689	10,385	203,700		203,700	14,907,700	1.4%	
Glen Oaks	2,551,100	2,551,100	10,811	2,883	3,747	8,949	7,442	202	1,802	35,800		35,800	2,586,900	1.4%	
Gogebic	4,509,900	4,509,900	19,111	15,019	3,230	13,106	8,692	5,556	3,185	67,900		67,900	4,577,800	1.5%	
Grand Rapids	18,187,300	18,187,300	77,072	25,309	22,562	20,552	94,895	9,989	12,845	263,200		263,200	18,450,500	1.4%	
Henry Ford	21,893,300	21,893,300	92,777	26,411	20,516	30,819	86,365	10,351	15,463	282,700		282,700	22,176,000	1.3%	
Jackson	12,245,300	12,245,300	51,892	14,742	13,731	20,138	34,843	8,293	8,649	152,300		152,300	12,397,600	1.2%	
Kalamazoo Valley	12,689,400	12,689,400	53,773	14,340	17,815	20,454	58,272	10,887	8,962	184,500		184,500	12,873,900	1.5%	
Kellogg	9,950,100	9,950,100	42,165	11,244	12,837	17,090	36,647	10,398	7,028	137,400		137,400	10,087,500	1.4%	
Kirtland	3,221,500	3,221,500	13,652	3,640	4,798	3,640	12,640	7,814	2,275	48,500		48,500	3,270,000	1.5%	
Lake Michigan	5,417,700	5,417,700	22,958	6,304	5,660	6,122	24,303	5,879	3,826	75,100		75,100	5,492,800	1.4%	
Lansing	31,288,200	31,288,200	132,589	35,357	41,122	41,281	106,144	10,612	22,098	389,100		389,100	31,677,300	1.2%	
Macomb	33,239,500	33,239,500	140,858	37,562	43,227	43,449	142,984	10,805	23,476	442,300		442,300	33,681,800	1.3%	
Mid Michigan	4,757,700	4,757,700	20,162	6,757	9,650	5,376	24,825	6,220	3,360	76,400		76,400	4,834,100	1.6%	
Monroe	4,565,600	4,565,600	19,348	5,159	6,718	5,159	21,675	9,787	3,225	71,100		71,100	4,636,700	1.6%	
Montcalm	3,280,600	3,280,600	13,902	13,469	4,363	10,026	10,809	7,612	2,317	62,500		62,500	3,343,100	1.9%	
Mott	15,901,700	15,901,700	67,386	21,448	21,735	17,970	64,770	9,309	11,231	213,800		213,800	16,115,500	1.3%	
Muskegon	9,020,700	9,020,700	38,227	27,428	7,702	10,194	29,152	10,779	6,371	129,900		129,900	9,150,600	1.4%	
North Central	3,224,800	3,224,800	13,666	12,004	4,645	10,232	13,681	9,071	2,278	65,600		65,600	3,290,400	2.0%	
Northwestern	9,200,500	9,200,500	38,989	13,243	10,117	10,397	29,632	8,604	6,498	117,500		117,500	9,318,000	1.3%	
Oakland	21,429,400	21,429,400	90,811	24,216	35,093	24,216	145,013	7,045	15,135	341,500		341,500	21,770,900	1.6%	
Schoolcraft	12,706,400	12,706,400	53,846	15,218	23,832	20,777	70,798	9,467	8,974	202,900		202,900	12,909,300	1.6%	
Southwestern	6,657,600	6,657,600	28,213	7,523	5,249	7,523	17,962	3,714	4,702	74,900		74,900	6,732,500	1.1%	
St. Clair	7,158,000	7,158,000	30,333	8,462	8,427	14,678	27,373	6,945	5,056	101,300		101,300	7,259,300	1.4%	
Washtenaw	13,301,100	13,301,100	56,366	19,040	40,843	20,865	76,882	9,510	9,394	232,900		232,900	13,534,000	1.8%	
Wayne County	16,989,800	16,989,800	71,997	22,017	29,014	19,199	82,516	7,680	12,000	244,400		244,400	17,234,200	1.4%	
West Shore	2,446,200	2,446,200	10,366	4,350	2,611	2,764	8,211	1,808	1,728	31,800		31,800	2,478,000	1.3%	
Subtotal Operations:	\$311,492,000	\$311,492,000	\$1,320,003	\$439,998	\$440,001	\$439,998	\$1,320,002	\$219,999	\$220,000	\$4,400,000	\$0	\$4,400,000	\$315,892,000	1.4%	
MPERS Retiree Health Care	1,733,600	1,733,600									0	0	1,733,600	0.0%	
MPERS Reform Costs	69,500,000	69,500,000									3,700,000	3,700,000	73,200,000	5.3%	
Renaissance Zone Reimbursements	5,100,000	5,100,000									0	0	5,100,000	0.0%	
Total Appropriations:	\$387,825,600	\$387,825,600	\$1,320,003	\$439,998	\$440,001	\$439,998	\$1,320,002	\$219,999	\$220,000	\$4,400,000	\$3,700,000	\$8,100,000	\$395,925,600	2.1%	
State School Aid Fund	256,714,800	256,714,800									0	3,700,000	260,414,800	1.4%	
GF/GP	\$131,110,800	\$131,110,800	\$1,320,003	\$439,998	\$440,001	\$439,998	\$1,320,002	\$219,999	\$220,000	\$4,400,000	\$0	\$4,400,000	\$135,510,800	3.4%	