



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



BILL ANALYSIS

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Public Act 85 of 2015
House Bill 4115 (H-1) CR-1:
FY 2015-16 Education Omnibus Appropriation Bill

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Public Act 85 of 2015 Education Omnibus Appropriation Bill House Bill 4115 (H-1) CR-1		
Department/Budget Area	FY 2015-16 Gross Appropriation	FY 2015-16 GF/GP Appropriation
Community Colleges	\$387,825,600	\$131,110,800
Higher Education.....	1,534,724,400	1,232,418,500
School Aid K-12	13,896,329,300	45,900,000
Total Education Budget Area Appropriations.....	\$15,818,879,300	\$1,409,429,300

Public Act 84 of 2015 General Omnibus Appropriation Bill Senate Bill 133 (S-1) CR-1		
Department/Budget Area	FY 2015-16 Gross Appropriation	FY 2015-16 GF/GP Appropriation
Agriculture and Rural Development	\$86,594,000	\$43,073,600
Attorney General	92,107,600	37,013,400
Civil Rights	16,128,700	12,949,700
Corrections	1,962,226,000	1,903,948,400
Education	305,876,200	74,898,700
Environmental Quality	486,909,300	34,827,700
Executive	5,531,100	5,531,100
Health and Human Services	25,069,637,100	4,142,798,100
Insurance and Financial Services	65,057,700	150,000
Judiciary	284,651,400	183,442,200
Legislative Auditor General	22,840,500	15,460,100
Legislature	136,464,300	131,872,300
Licensing and Regulatory Affairs	407,649,000	38,481,500
Military and Veterans Affairs	166,953,700	51,187,300
Natural Resources	404,001,200	39,597,800
State	225,256,700	17,161,500
State Police	620,837,400	376,305,600
Talent and Economic Development	1,153,023,500	198,457,000
Technology, Management and Budget	1,263,223,700	477,198,200
Transportation	3,896,201,400	400,000,000
Treasury-Debt Service	156,449,000	156,449,000
Treasury-Operations	536,197,100	123,930,300
Treasury-Revenue Sharing	1,252,406,100	0
Total General Budget Area Appropriations.....	\$38,616,222,700	\$8,464,733,500
Budget Stabilization Fund (BSF) Appropriation	\$95,000,000	\$95,000,000
Total General Omnibus Appropriations.....	\$38,711,222,700	\$8,559,733,500


Public Acts 84 and 85 of 2015		
Department/Budget Area	FY 2015-16 Gross Appropriation	FY 2015-16 GF/GP Appropriation
Total General/Education Budget Area Appropriations	\$54,435,102,000	\$9,874,162,800
Total Omnibus Appropriations (including BSF)	\$54,530,102,000	\$9,969,162,800

Date Completed: 6-24-15

Public Act 85 of 2015 Education Omnibus Appropriation Bill House Bill 4115 (H-1) CR-1 FY 2014-15 Supplemental Appropriations		
Budget Area	FY 2014-15 Gross Appropriation	FY 2014-15 GF/GP Appropriation
School Aid K-12		
Consensus cost adjustments	(\$13,000,000)	\$0
Total FY 2014-15 Supplemental Appropriations	(\$13,000,000)	\$0

Public Act 84 of 2015 General Omnibus Appropriation Bill Senate Bill 133 (S-1) CR-1 FY 2014-15 Supplemental Appropriations		
Department/Budget Area	FY 2014-15 Gross Appropriation	FY 2014-15 GF/GP Appropriation
Department of Education		
Child Development and Care Program consensus caseload/cost adjustments .	(\$2,703,500)	(\$2,703,500)
Total Department of Education	(\$2,703,500)	(\$2,703,500)
Department of Health and Human Services		
Healthy Michigan Plan caseload/cost adjustments (Federal revenue)	\$485,865,600	\$0
Healthy Michigan Plan MACI cost adjustments (Federal revenue).....	466,900,000	0
Health services consensus caseload/cost adjustments.....	65,397,000	11,471,900
Human services consensus caseload/cost adjustments.....	(22,701,900)	(1,206,000)
Benefit payments for eligible fugitive felons	3,646,700	2,656,400
Pine Rest psychiatric residency program	1,500,000	1,500,000
Total Department of Health and Human Services	\$1,000,607,400	\$14,422,300
Department of Military and Veterans Affairs		
Michigan youth challeNGe academy (Federal and private revenue)	\$4,995,700	\$0
Total Department of Military and Veterans Affairs.....	\$4,995,700	\$0
Department of State Police		
Trooper bargaining agreement additional costs.....	\$1,000,000	\$1,000,000
Total Department of State Police	\$1,000,000	\$1,000,000
Total FY 2014-15 Supplemental Appropriations	\$1,003,899,600	\$12,718,800

Date Completed: 6-18-15

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BILL ANALYSIS

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FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 INITIAL APPROPS.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	N/A	N/A	N/A	N/A
GROSS	13,673,960,100	13,896,329,300	222,369,200	1.6
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS	13,673,960,100	13,896,329,300	222,369,200	1.6
Less:				
Federal Funds.....	1,808,162,700	1,775,769,200	(32,393,500)	(1.8)
Local and Private	0	0	0	0.0
TOTAL STATE SPENDING	11,865,797,400	12,120,560,100	254,762,700	2.1
Less:				
Other State Restricted Funds.....	11,832,097,400	12,074,660,100	242,562,700	2.1
GENERAL FUND/GENERAL PURPOSE	33,700,000	45,900,000	12,200,000	36.2
PAYMENTS TO LOCALS	11,714,612,100	11,962,930,600	248,318,500	2.1

FY 2014-15 Year-to-Date Gross Appropriation \$13,673,960,100

Changes from FY 2014-15 Year-to-Date:

Items Included by the Senate and House

1. **MPSERS Rate Cap.** Governor, Senate and House increased funding to pay for the State support of the local employer rate cap in the Michigan Public School Employees' Retirement System (MPSERS). Total funding for the rate cap in the K-12 budget is \$893.5 million. 216,600,000
2. **Federal Grants.** Governor, Senate, and House reduced Federal grants by \$32.4 million. (32,393,500)
3. **School Bond Loan Fund Debt Service, Payments in Lieu of Taxes (PILT), Promise Zones.** Governor, Senate, and House included technical changes in obligation payments. (116,300)
4. **MPSERS Additional Payment toward Liabilities.** Governor, Senate, and House proposed eliminating an additional payment toward unfunded accrued liabilities. (19,634,500)
5. **Technical Cost Adjustments.** Governor, Senate, and House included technical adjustments for foundation allowances and special education due to newer estimates. (83,400,000)
6. **Durant Bonds.** Governor, Senate, and House eliminated funding for *Durant* non-plaintiff debt service, since FY 2014-15 was the last year of payments. (39,500,000)
7. **Educator Evaluations.** Governor, Senate, and House eliminated FY 2015-16 funding for educator evaluations, but added language for FY 2014-15 funding to be designated as a work project. (14,800,000)
8. **Economic Adjustments.** Includes (\$98,200) Gross and (\$68,300) GF/GP for OPEB and \$33,300 Gross and \$12,500 GF/GP for other economic adjustments. (64,900)
9. **Other Changes.** House and Senate funded Conductive Learning Center at \$150,000. 150,000

Conference Agreement on Items of Difference

10. Foundation Allowance. Governor proposed a \$75 across-the-board increase in the foundation allowance. Senate proposed an increase between \$50 and \$100 per pupil, using the '2x' formula. House rolled in numerous categoricals and provided between \$137 and \$274. Conference used the 2x formula and provided \$70-\$140, at a cost of \$183.0 million.	183,000,000
11. At Risk. Conference included a \$70.0 million increase in the At Risk program, and a \$2.0 million increase for school-based health centers.	72,000,000
12. District Fiscal Emergency Contingency Fund. Governor proposed \$75.0 million for this reserve fund (up from \$4.0 million current year); Conference did not appropriate funding.	(4,000,000)
13. Career and Technical Education (CTE). Conference included \$10.0 million for career and technical education/dual enrollment, \$3.0 million GF/GP for the Michigan College Access Network (MCAN), which was transferred into the budget from the Higher Education budget, and \$600,000 GF/GP for a public awareness campaign and an online career planning tool. Conference increased the traditional CTE funding by \$10.0 million.	23,600,000
14. Pupil Membership Blend. Conference changed the calculation for pupil memberships from 90% fall count/10% current-year spring count, to 90% fall/10% prior-year spring.	9,700,000
15. Adult Education. Conference increased Adult Education funding to a total of \$25.0 million.	3,000,000
16. Early Literacy Initiatives. Conference included \$17.5 million in grants to support additional instruction time for kindergarteners; a \$2.5 million increase to expand home visits for parenting skills and early identification of children with additional needs; a \$3.0 million investment in literacy coaches; a \$2.6 million increase in assessments for grades K-2; and other early literacy funding totaling \$5.9 million (of which \$2.5 million is GF/GP).	31,500,000
17. Categorical Offset Payments. Conference included \$12.0 million to ensure all districts receive at least a \$25 per-pupil increase compared to last year when summing the per-pupil changes in the foundation allowance, at risk, best practices, and pupil performance.	12,000,000
18. Computer Adaptive Test and Financial Data Analysis Tools. Conference provided reimbursement to districts that purchase a computer adaptive test (\$4.0 million), and reimbursement to districts to purchase a financial data analysis tool (\$1.5 million).	5,500,000
19. Consolidation, Transportation Funding, Civics Education, Albion/Marshall, STEM. Conference increased consolidation grants \$3.0 million, grants for transportation \$2.4 million, and provided \$300,000 to Marshall/Albion, and \$60,000 for Civics Education. STEM-related programs were funded at \$550,000 above current-year levels, and Detroit Area Pre-College Engineering Program (DAPCEP) was funded at \$340,000.	6,585,400
20. Gang Prevention and Intervention. Governor proposed \$1.0 million program to provide grants for gang prevention. Senate and House did not include; Conference funded.	1,000,000
21. Michigan Virtual University (MVU). Governor proposed a \$600,000 GF/GP increase for MVU to include community college courses in the course catalog and for a network of school-based mentors for online learning. Conference did not include the increased funding.	0
22. Pupil Performance, Best Practices, and Technology Grants. Conference eliminated funding for pupil performance grants (\$51.1 million) and best practices (\$75.0 million), and reduced technology infrastructure grants by \$18.0 million.	(144,100,000)
23. Other Program Eliminations. Conference eliminated bus conversion grants (\$3.0 million) and a career readiness study (\$250,000).	(3,250,000)
24. Other Program Reductions. Conference removed vocational education earmark (\$1.0 million), and a payment for consolidated Intermediate School Districts (\$7,000).	(1,007,000)
Total Changes	\$222,369,200
FY 2015-16 Initial Ongoing/One-Time Gross Appropriation	\$13,896,329,300

Boilerplate Changes from FY 2014-15 Year-to-Date:

Items Included by the Senate and House

1. **ISD Best Practices.** Governor deleted two current best practices and changed the eligibility to meeting all remaining four best practices. Senate and House eliminated ISD best practices and rolled funding into the base. (Sec. 81)
2. **Michigan Virtual University.** Governor, Senate, and House added a requirement that MVU create a statewide network of school-based mentors to help more students be successful online learners. Also, MVU must include online courses offered by community college in the statewide catalog of online learning, and language was added capping the amount of funding that MVU can use to subsidize the cost paid by districts for online courses at \$1.0 million. (Sec. 98)

Conference Agreement on Items of Difference

3. **Blend Change.** Senate changed the pupil membership blend, to use the prior-year spring count (15%) instead of the current-year spring, to blend with current-year fall (85%). Conference included, at 90/10 weighting. (Sec. 6)
4. **Foundation Allowance.** Governor proposed a \$75 across-the-board increase. Senate proposed using '2x' formula with increases ranging between \$50 and \$100. House rolled in numerous categoricals and provided increases ranging between \$137 and \$274. Conference provided increases ranging between \$70 and \$140 per pupil. (Sec. 20)
5. **Online Learning.** Governor, Senate, and House added community colleges to the section allowing for dual enrollment in online courses, and added clarifying language that the primary district (instead of educating) is responsible for the program. Governor reduced payment from 8.33% of minimum foundation allowance to 6.66%; Senate used 6.67%; House did not reduce the payment; Conference concurred with Senate. (Sec. 21f)
6. **Best Practices.** Governor and Senate reduced the maximum per-pupil grant from \$50 to \$20, and changed the eligibility from meeting seven out of the current eight, to meeting both financial best practices and academic best practices. House eliminated; Conference concurred with House to eliminate. (Sec. 22f)
7. **Technology Readiness Grants.** Senate earmarked the funding into specific areas to focus the distributions, and added non-compete language. House did not fund. Conference concurred with Senate. (Sec. 22i)
8. **Enrollments from Out-of-State.** Senate and Conference added a requirement for CEPI to investigate the number of children newly enrolling in Michigan between the fall and spring count days. (Sec. 25e)
9. **Strict Discipline Academies.** Senate restructured this to be an added cost reimbursement. Conference concurred, and broke out funding for dropout recovery into a new section, with each section at \$1.0 million. (Sec. 25f, 25g)
10. **At-Risk.** House and Conference required districts to employ a multi-tier system of supports in at least grades K to 3 in order to qualify for any at-risk funding. Senate and Conference broadened eligibility related to assessments and reduced price lunch qualifications. (Sec. 31a)
11. **School Readiness.** Senate added language allowing eligible three-year-olds to be funded if a four-year-old class would have had to return slot funding due to insufficient class size; Conference did not include. Conference concurred with House to change administrative caps, but changed the cap to 4% for an ISD and 4% for a subrecipient. Conference further allowed a higher transportation reimbursement than current law. (Sec. 32d)
12. **Early Literacy.** Governor added a new section stating that the increased funds will be used to ensure children are reading at grade level by the end of third grade, and so that Michigan will be in the top 10 most improved states in fourth grade reading proficiency as measured by the 2019 National Assessment of Educational Progress (NAEP), and in the top 10 states overall by 2025. Senate and Conference concurred and further required the Superintendent to identify all staff hired under the early literacy section to be designated as critical shortage. (Sec. 35, 35a.)
13. **Parent University.** Governor, Senate, and Conference added a new section outlining a pilot of a parent education program for parents of children less than four years old so that children are ready to succeed at school entry. Grants would be the lesser of \$130,000 or \$120 per four-year-old in the district or consortium. (Sec. 35a(2))
14. **Professional Development Related to Current State Literacy Standards.** Governor, Senate, and Conference added a new section providing funding for professional development with the Department determining the level of grant awards and collaborating with MVU to provide the training online to educators of pupils in grades K-3. (Sec. 35a(3))
15. **Other Early Literacy Sections.** Governor added five additional sections related to early literacy, including adoption of a certification test for newly certified elementary teachers (Sec. 35c); diagnostic tools to monitor the development of

early literacy and reading skills of pupils in grades K-3 (Sec. 35d); early literacy coaches (Sec. 35e); grants for providing additional instructional time to pupils in grades K-3 that have been identified as needing additional support (Sec. 35f); and, establishing a clearinghouse of best practices (Sec. 35g). Senate did not include Sections 35c or 35g, but did require the Department of Education to complete these tasks under boilerplate in the Department budget bill. Conference included the certification test (Sec. 35a(8)), diagnostic tools (Sec. 35a(4)), early literacy coaches with a formula change (Sec. 35a(5)), and \$17.5 million for additional instructional time (Sec. 35a(6)), with grants of \$165 per first grade pupil.

16. **Reallocation of Lapsing Special Education Money.** Governor proposed eliminating a provision that distributes money that otherwise would lapse under special education to districts or intermediate school districts affected by changes related to the costs of itinerant staff. Senate did not concur and retained the language. Conference retained language but added a \$2.0 million cap per reimbursed district or ISD. (Sec. 51a(7)(c))
17. **Career and Technical Education (CTE)/Adult Education.** Senate allowed CTE programs to enroll Adult Education participants, and allowed for the billing of general ed. course costs to Adult Education providers. Further, Senate added language prioritizing reimbursement based on capital and program expenditures, and other items. Finally, Senate halted the planned phase-out of funding based on prior providers, included a \$500,000 pilot program linking CTE, Adult Education, and Michigan Works!, and returned funding to 90% enrollment, 10% completion. Conference allowed CTE to enroll Adult Ed outside of regular school hours, and concurred in re-prioritizing, along with the pilot program, and an 80%/20% payment formula. The continued planned phase-out was halted for one year. (Sec. 61a and 107)
18. **CTE Early/Middle College Programs.** Governor, Senate, and Conference added early/middle college programs (five-year programs) designed to increase the number of residents with high quality degrees or credentials, and to increase the number of students who are college- and career-ready upon high school graduation, for programs that have been identified in the highest five career cluster rankings, allowing for a student to earn a high school diploma and achieve either a certificate, associate's degree, apprenticeship, or transferable credits. (Sec. 61b)
19. **Dual Enrollment Reimbursement.** Senate and Conference added a requirement for districts seeking reimbursement to ensure that college credit awarded is accepted at any Michigan community college or university. (Sec. 64b)
20. **Educator Evaluations.** Governor, Senate, and House struck language prohibiting the use of these funds unless House Bills 5223 and 5224 of the previous legislative session were enacted. Senate reduced current-year funding to \$1.0 million. Conference restored current-year funding to \$14.8 million. (Sec. 95a)
21. **STEM Council.** Conference concurred with the House to include new language for a STEM advisory council to be appointed by the Governor to review science, technology, and math programs around the State. (Sec. 99s)
22. **Snow Days.** Conference concurred with House to reduce from 6 to 3 the number of snow days that the Superintendent may grant (in addition to the automatic six), but allowed those to occur any time during the year. (Sec. 101)
23. **Deficit Districts.** Governor and Senate included numerous changes related to deficit elimination plans and enhanced deficit elimination plans, reflective of "early warning" legislation from the previous legislative session. House and Conference did not include. (Sec. 102)
24. **Transmittal of Budgetary Assumptions.** Governor and Senate included a new section for transmitting budgetary assumptions, reflective of "early warning" legislation that was deliberated in the previous legislative session. House and Conference did not include.
25. **Early Warning.** Governor and Senate included several new sections requiring a notification of fiscal stress, deficit, or financial emergency and a request for assistance, reflective of "early warning" legislation. Other sections also required periodic financial status reporting. House and Conference did not include.
26. **Periodic Financial Status Reports.** Governor and Senate included a new section requiring a district to submit periodic financial status reports if the Superintendent or State Treasurer determine that financial stress may exist, that a deficit is projected to arise, or that the district may be unable to meet its financial obligations, reflective of "early warning" legislation that was deliberated in the previous legislative session. House and Conference did not include.
27. **M-STEP.** Governor, Senate, and Conference added grade 11 to the summative assessments for English Language Arts (ELA) and math (currently grades 3-10), and added language requiring the Department to field test additional components (fall and spring assessments to measure ELA and math in grades 1 and 2, and kindergarten entry assessment) in the assessment system beginning in FY 2015-16 for full implementation in FY 2016-17. (Sec. 104c)



**FY 2014-15 Year to Date (Including HB 4110, P.A. 5 of 2015 Negative Supplemental) and Revised Cost Estimates,
Governor's Recommendation, Senate Recommendation, House Recommendation, and Enacted PA 85 for FY 2015-16 (Dollars in Thousands)**


<u>Line Item Description</u>	Revised YTD Totals FY 2014-15	Gov's Rec FY 2015-16	CREC Senate-Passed FY 2015-16	Compared to Governor's Rec FY 2015-16	CREC House-Passed FY 2015-16	Compared to Governor FY 2015-16	Public Act 85 Initial Approps FY 2015-16	Compared to Governor FY 2015-16
Sec. 11g Durant Non-plaintiff Debt Service	\$39,500.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Sec. 11j School Bond Loan Fund Payments - Debt Service	\$126,000.0	\$126,500.0	\$126,500.0	\$0.0	\$126,500.0	\$0.0	\$126,500.0	\$0.0
Sec. 11m Cash Flow Borrowing Costs	\$0.0	\$2,000.0	\$2,000.0	\$0.0	\$2,000.0	\$0.0	\$2,000.0	\$0.0
Sec. 11r District Fiscal Emergency Contingency Fund	\$4,000.0	\$75,000.0	\$8,935.9	(\$66,064.1)	\$0.0	(\$75,000.0)	\$0.0	(\$75,000.0)
Sec. 20f Categorical Offset Payments	\$6,000.0	\$6,000.0	\$12,400.0	\$6,400.0	\$14,000.0	\$8,000.0	\$18,000.0	\$12,000.0
Sec. 20g Student Transition Grants in Dissolved Districts	\$2,200.0	\$2,200.0	\$2,200.0	\$0.0	\$0.0	(\$2,200.0)	\$2,200.0	\$0.0
Sec 22a Proposal A Obligation Payment	\$5,377,000.0	\$5,272,000.0	\$5,277,300.0	\$5,300.0	\$5,272,000.0	\$0.0	\$5,281,700.0	\$9,700.0
Sec. 22b Discretionary Payment - State	\$3,440,000.0	\$3,653,000.0	\$3,679,700.0	\$26,700.0	\$3,903,400.0	\$250,400.0	\$3,728,000.0	\$75,000.0
Sec. 22c Equity Payment	\$103,000.0	\$0.0	\$0.0	\$0.0	\$24,000.0	\$24,000.0	\$0.0	\$0.0
Sec. 22d Isolated Districts Funding	\$2,584.6	\$2,584.6	\$5,000.0	\$2,415.4	\$2,584.6	\$0.0	\$5,000.0	\$2,415.4
Sec. 22f Best Practices	\$75,000.0	\$30,000.0	\$30,000.0	\$0.0	\$0.0	(\$30,000.0)	\$0.0	(\$30,000.0)
Sec. 22g Consolidation Innovation Grants	\$2,000.0	\$2,000.0	\$0.0	(\$2,000.0)	\$5,000.0	\$3,000.0	\$5,000.0	\$3,000.0
Sec. 22i Technology Infrastructure and iSchool	\$41,500.0	\$25,000.0	\$25,000.0	\$0.0	\$0.0	(\$25,000.0)	\$23,500.0	(\$1,500.0)
Sec. 22j Pupil Performance	\$51,100.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Sec. 24 Court-Placed Pupils	\$8,000.0	\$8,000.0	\$8,000.0	\$0.0	\$8,000.0	\$0.0	\$8,000.0	\$0.0
Sec. 24a Juvenile Detention Facilities	\$2,195.5	\$2,189.8	\$2,189.8	\$0.0	\$2,189.8	\$0.0	\$2,189.8	\$0.0
Sec. 24c Challenge Program	\$1,500.0	\$1,497.4	\$1,497.4	\$0.0	\$1,497.4	\$0.0	\$1,497.4	\$0.0
Sec. 25f Strict Discipline Academies	\$2,000.0	\$1,000.0	\$1,500.0	\$500.0	\$1,000.0	\$0.0	\$1,000.0	\$0.0
Sec. 25g Dropout Recovery	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$1,000.0	\$1,000.0
Sec. 26a Renaissance Zone Costs	\$26,300.0	\$26,300.0	\$26,300.0	\$0.0	\$26,300.0	\$0.0	\$26,300.0	\$0.0
Sec. 26b PILT Reimbursement	\$4,210.0	\$4,276.8	\$4,276.8	\$0.0	\$4,276.8	\$0.0	\$4,276.8	\$0.0
Sec. 26c Promise Zone	\$293.1	\$610.0	\$610.0	\$0.0	\$610.0	\$0.0	\$610.0	\$0.0
Sec. 31a "At Risk" Pupil Support	\$308,988.2	\$408,988.2	\$408,988.2	\$0.0	\$308,988.2	(\$100,000.0)	\$378,988.2	(\$30,000.0)
Sec. 31a Vision/Hearing Screening	\$5,150.0	\$5,150.0	\$5,150.0	\$0.0	\$5,150.0	\$0.0	\$5,150.0	\$0.0
Sec. 31a Child and Adolescent Health Centers	\$3,557.3	\$3,557.3	\$3,557.3	\$0.0	\$3,557.3	\$0.0	\$5,557.3	\$2,000.0
Sec. 31c Gang Prevention and Intervention Programs - NEW	\$0.0	\$1,000.0	\$0.0	(\$1,000.0)	\$0.0	(\$1,000.0)	\$1,000.0	\$0.0
Sec. 31d School Lunch Programs - State Share	\$22,495.1	\$22,495.1	\$22,495.1	\$0.0	\$22,495.1	\$0.0	\$22,495.1	\$0.0
Sec. 31d School Lunch Programs - Federal Share	\$513,200.0	\$513,200.0	\$513,200.0	\$0.0	\$513,200.0	\$0.0	\$513,200.0	\$0.0
Sec. 31f School Breakfast	\$5,625.0	\$5,625.0	\$5,625.0	\$0.0	\$5,625.0	\$0.0	\$5,625.0	\$0.0
Sec. 31g Nutrition Program	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Sec. 31h Cooperative Education Grant - NEW	\$0.0	\$0.0	\$350.0	\$350.0	\$0.0	\$0.0	\$300.0	\$300.0
Sec. 32d Great Start - School Readiness	\$239,575.0	\$239,575.0	\$239,575.0	\$0.0	\$239,575.0	\$0.0	\$239,575.0	\$0.0
Sec. 32p Great Start Early Childhood Block Grants	\$10,900.0	\$15,900.0	\$15,900.0	\$0.0	\$10,900.0	(\$5,000.0)	\$13,400.0	(\$2,500.0)
Sec. 35 MDE Administration of Early Reading Initiatives - NEW	\$0.0	\$1,000.0	\$1,000.0	\$0.0	\$0.0	(\$1,000.0)	\$1,000.0	\$0.0
Sec. 35a Parents University Pilot - NEW	\$0.0	\$1,000.0	\$1,000.0	\$0.0	\$0.0	(\$1,000.0)	\$1,000.0	\$0.0
Sec. 35b Research-Based Professional Development on Early Literacy - NEW	\$0.0	\$950.0	\$950.0	\$0.0	\$0.0	(\$950.0)	\$950.0	\$0.0
Sec. 35c Elementary Teacher Assessment of Reading Instruction - NEW	\$0.0	\$500.0	\$0.0	(\$500.0)	\$0.0	(\$500.0)	\$500.0	\$0.0
Sec. 35d Evidence-Based Professional Development in Assessments - NEW	\$0.0	\$1,450.0	\$1,450.0	\$0.0	\$0.0	(\$1,450.0)	\$1,450.0	\$0.0
Sec. 35e Investment in Literacy Coaches for K-3 Teachers - NEW	\$0.0	\$3,000.0	\$3,000.0	\$0.0	\$0.0	(\$3,000.0)	\$3,000.0	\$0.0
Sec. 35f Additional Instructional Time - NEW	\$0.0	\$10,000.0	\$20,000.0	\$10,000.0	\$0.0	(\$10,000.0)	\$17,500.0	\$7,500.0
Sec. 35g Clearinghouse for Best Practices in Early Reading - NEW	\$0.0	\$500.0	\$0.0	(\$500.0)	\$0.0	(\$500.0)	\$0.0	(\$500.0)
Sec. 35h Michigan Education Corps	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$1,000.0	\$1,000.0
Sec. 39a(1) NCLB Federal DOE Grants	\$807,969.9	\$779,076.4	\$779,076.4	\$0.0	\$779,076.4	\$0.0	\$779,076.4	\$0.0
Sec 39a(2) Other Non-NCLB Federal DOE Grants	\$31,300.0	\$30,800.0	\$30,800.0	\$0.0	\$30,800.0	\$0.0	\$30,800.0	\$0.0
Sec. 41 Bilingual Education	\$1,200.0	\$1,200.0	\$1,200.0	\$0.0	\$0.0	(\$1,200.0)	\$1,200.0	\$0.0
Sec. 43 Teacher Certification Test Review	\$1,800.0	\$1,800.0	\$1,800.0	\$0.0	\$1,800.0	\$0.0	\$1,800.0	\$0.0
Sec. 51c Special Education Headlee - State Share	\$597,300.0	\$610,000.0	\$610,000.0	\$0.0	\$610,000.0	\$0.0	\$610,000.0	\$0.0
Sec. 51a(2) Spec. Ed. Foundations - State Share	\$248,100.0	\$251,800.0	\$251,800.0	\$0.0	\$251,800.0	\$0.0	\$251,800.0	\$0.0
Sec. 51a(3) Spec. Ed. Hold Harmless to ISDs - State Share	\$1,000.0	\$1,300.0	\$1,300.0	\$0.0	\$1,300.0	\$0.0	\$1,300.0	\$0.0
Sec. 51a(11) Spec. Ed. Non Sec. 52 to ISDs - State Share	\$3,400.0	\$3,300.0	\$3,300.0	\$0.0	\$3,300.0	\$0.0	\$3,300.0	\$0.0
Sec. 51a(6) Spec. Ed. Rules Change - State Share	\$2,200.0	\$2,200.0	\$2,200.0	\$0.0	\$2,200.0	\$0.0	\$2,200.0	\$0.0
Sec. 53a Court-Placed Spec. Ed. FTEs - State Share	\$10,500.0	\$10,500.0	\$10,500.0	\$0.0	\$10,500.0	\$0.0	\$10,500.0	\$0.0



**FY 2014-15 Year to Date (Including HB 4110, P.A. 5 of 2015 Negative Supplemental) and Revised Cost Estimates,
Governor's Recommendation, Senate Recommendation, House Recommendation, and Enacted PA 85 for FY 2015-16 (Dollars in Thousands)**

<u>Line Item Description</u>	Revised YTD Totals FY 2014-15	Gov's Rec FY 2015-16	CREC Senate-Passed FY 2015-16	Compared to Governor's Rec FY 2015-16	CREC House-Passed FY 2015-16	Compared to Governor FY 2015-16	Public Act 85 Initial Approps FY 2015-16	Compared to Governor FY 2015-16
Sec. 54 MI School for Deaf and Blind - State Share	\$1,688.0	\$1,688.0	\$1,688.0	\$0.0	\$1,688.0	\$0.0	\$1,688.0	\$0.0
Sec. 56 Spec. Ed. Millage Equalization - State Share	\$37,758.1	\$37,758.1	\$37,758.1	\$0.0	\$37,758.1	\$0.0	\$37,758.1	\$0.0
Sec. 51a Special Education - Federal IDEA	\$370,000.0	\$370,000.0	\$370,000.0	\$0.0	\$370,000.0	\$0.0	\$370,000.0	\$0.0
Sec. 51d Special Education - Other Federal	\$74,000.0	\$71,000.0	\$71,000.0	\$0.0	\$71,000.0	\$0.0	\$71,000.0	\$0.0
Sec. 55 Conductive Learning Center Study - NEW	\$0.0	\$0.0	\$150.0	\$150.0	\$150.0	\$150.0	\$150.0	\$150.0
Sec. 61a Vocational Education	\$27,611.3	\$26,611.3	\$40,000.0	\$13,388.7	\$42,611.3	\$16,000.0	\$36,611.3	\$10,000.0
Sec. 61b Career and Technical Education/Dual Enrollment - NEW	\$0.0	\$17,800.0	\$17,800.0	\$0.0	\$0.0	(\$17,800.0)	\$10,000.0	(\$7,800.0)
Sec. 62 ISD Vocational Ed Millage Equalization	\$9,190.0	\$9,190.0	\$9,190.0	\$0.0	\$9,190.0	\$0.0	\$9,190.0	\$0.0
Sec. 64b Dual Enrollment Incentive Payments	\$1,750.0	\$1,750.0	\$1,750.0	\$0.0	\$0.0	(\$1,750.0)	\$1,750.0	\$0.0
Sec. 64c Career Readiness Study	\$250.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Sec. 65 Detroit Precollege Engineering	\$0.0	\$0.0	\$0.0	\$0.0	\$340.0	\$340.0	\$340.0	\$340.0
Sec. 67 College and Career Readiness Tools - NEW	\$0.0	\$3,600.0	\$3,600.0	\$0.0	\$2,000.0	(\$1,600.0)	\$3,600.0	\$0.0
Sec. 74 Bus Driver Safety Instruction	\$1,625.0	\$1,625.0	\$1,625.0	\$0.0	\$1,625.0	\$0.0	\$1,625.0	\$0.0
Sec. 74 School Bus Inspections	\$1,691.5	\$1,690.7	\$1,690.7	\$0.0	\$1,690.7	\$0.0	\$1,690.7	\$0.0
Sec. 74a Bus Conversion from Diesel to Natural Gas	\$3,000.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Sec. 81 ISD General Operations Support	\$65,115.0	\$65,108.0	\$68,108.0	\$3,000.0	\$67,108.0	\$2,000.0	\$67,108.0	\$2,000.0
Sec. 81(7) ISD Best Practices	\$2,000.0	\$2,000.0	\$0.0	(\$2,000.0)	\$0.0	(\$2,000.0)	\$0.0	(\$2,000.0)
Sec. 94 Advanced Placement (AP) Incentive Program	\$250.0	\$250.0	\$250.0	\$0.0	\$250.0	\$0.0	\$250.0	\$0.0
Sec. 94a Center for Educ. Perf. and Information - State Share	\$12,022.8	\$11,967.0	\$11,967.0	\$0.0	\$11,967.0	\$0.0	\$11,967.0	\$0.0
Sec. 94a Center for Educ. Perf. and Information - Federal	\$193.5	\$193.5	\$193.5	\$0.0	\$193.5	\$0.0	\$193.5	\$0.0
Sec. 95a Educator Evaluations	\$14,800.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Sec. 98 Michigan Virtual High School - State	\$7,387.5	\$7,987.5	\$7,387.5	(\$600.0)	\$7,987.5	\$0.0	\$7,387.5	(\$600.0)
Sec. 99s(3) Math/Science Centers - State	\$3,225.0	\$3,225.0	\$4,225.0	\$1,000.0	\$0.0	(\$3,225.0)	\$3,225.0	\$0.0
Sec. 99s(4) Math/Science Centers - Federal	\$5,249.3	\$5,249.3	\$5,249.3	\$0.0	\$5,249.3	\$0.0	\$5,249.3	\$0.0
Sec. 99s(5) STEM Professional Development	\$330.0	\$0.0	\$0.0	\$0.0	\$330.0	\$330.0	\$250.0	\$250.0
Sec. 99c Civics Education	\$0.0	\$0.0	\$60.0	\$60.0	\$0.0	\$0.0	\$60.0	\$60.0
Sec. 99h FIRST Robotics	\$2,000.0	\$2,000.0	\$2,000.0	\$0.0	\$2,660.0	\$660.0	\$2,000.0	\$0.0
Sec. 99s(6) Science Olympiad and STEM - NEW	\$0.0	\$0.0	\$0.0	\$0.0	\$900.0	\$900.0	\$250.0	\$250.0
Sec. 99s(7) Van Andel Education Institute - NEW	\$0.0	\$0.0	\$0.0	\$0.0	\$500.0	\$500.0	\$250.0	\$250.0
Sec. 99s(1) Comprehensive STEM Initiative	\$0.0	\$0.0	\$0.0	\$0.0	\$0.1	\$0.1	\$50.0	\$50.0
Sec. 102d Reimbursement for Purchase of Financial Data Analysis Tool(s)	\$0.0	\$0.0	\$1,500.0	\$1,500.0	\$0.0	\$0.0	\$1,500.0	\$1,500.0
Sec. 104 MEAP Testing - State Share	\$41,394.4	\$43,994.4	\$43,994.4	\$0.0	\$41,394.4	(\$2,600.0)	\$43,994.4	\$0.0
Sec. 104 MEAP Testing - Federal Share	\$6,250.0	\$6,250.0	\$6,250.0	\$0.0	\$6,250.0	\$0.0	\$6,250.0	\$0.0
Sec. 104d Computer Adaptive Test	\$0.0	\$0.0	\$5,000.0	\$5,000.0	\$0.0	\$0.0	\$4,000.0	\$4,000.0
Sec. 107 Adult Education - State	\$22,000.0	\$22,000.0	\$29,000.0	\$7,000.0	\$0.1	(\$21,999.9)	\$25,000.0	\$3,000.0
Sec. 147a MPERS District Reimbursement	\$100,000.0	\$100,000.0	\$100,000.0	\$0.0	\$50,000.0	(\$50,000.0)	\$100,000.0	\$0.0
Sec. 147c MPERS Rate Cap (Section 41 of MPERS Act)	\$676,900.0	\$893,500.0	\$893,500.0	\$0.0	\$893,500.0	\$0.0	\$893,500.0	\$0.0
Sec. 147d MPERS Liability Extra Payment	\$19,634.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Sec. 152. Adair v State of Michigan	\$38,000.5	\$38,000.5	\$38,000.5	\$0.0	\$38,000.5	\$0.0	\$38,000.5	\$0.0
Sec. 152b Nonpublic School Reimbursement - NEW	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
TOTAL SCHOOL AID APPROPRIATIONS	\$13,673,960.1	\$13,910,463.9	\$13,920,563.9	\$10,100.0	\$13,857,969.1	(\$52,494.8)	\$13,896,329.3	(\$14,134.6)
TOTAL REVENUE								
Federal Aid	\$1,808,162.7	\$1,775,769.2	\$1,775,769.2	\$0.0	\$1,775,769.2	\$0.0	\$1,775,769.2	\$0.0
School Aid Fund (SAF)	\$11,814,097.4	\$12,088,794.7	\$12,103,094.7	\$14,300.0	\$12,036,299.9	(\$52,494.8)	\$12,074,660.1	(\$14,134.6)
General Fund/General Purpose	\$33,700.0	\$45,900.0	\$41,700.0	(\$4,200.0)	\$45,900.0	\$0.0	\$45,900.0	\$0.0
MPERS Reforms Fund	\$18,000.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
TOTAL REVENUE	\$13,673,960.1	\$13,910,463.9	\$13,920,563.9	\$10,100.0	\$13,857,969.1	(\$52,494.8)	\$13,896,329.3	(\$14,134.6)

Note: \$50.0 million remains unappropriated on the balance sheet for FY 2015-16 after accounting for conference appropriations.

 **Senate Fiscal Agency**
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BILL ANALYSIS

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FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 INITIAL APPROPS.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	N/A	N/A	0.0	--
GROSS	364,724,900	387,825,600	23,100,700	6.3
Less:				
Interdepartmental Grants Received	0	0	0	--
ADJUSTED GROSS	364,724,900	387,825,600	23,100,700	6.3
Less:				
Federal Funds	0	0	0	--
Local and Private	0	0	0	--
TOTAL STATE SPENDING	364,724,900	387,825,600	23,100,700	6.3
Less:				
Other State Restricted Funds	364,724,900	256,714,800	(108,010,100)	(29.6)
GENERAL FUND/GENERAL PURPOSE	0	131,110,800	131,110,800	--
PAYMENTS TO LOCALS	364,724,900	387,825,600	23,100,700	6.3

FY 2014-15 Year-to-Date Gross Appropriation **\$364,724,900**

Changes from FY 2014-15 Year-to-Date:

Items Included by the Senate and House

1. **Michigan Public School Employees Retirement System (MPSERS) Rate Cap.** The Governor, Senate, and House included an additional \$17.2 million 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 2015-16 State payment totals \$69.5 million. 17,200,000

2. **Renaissance Zone Reimbursements.** Payments are made pursuant to Public Act 376 of 1996. The Act requires the State to reimburse a community college district each year for all tax revenue lost as a result of the exemption of property under the Act. The Governor, Senate, and House increased funding from \$3.5 million to \$5.1 million based on current projections. 1,600,000

Conference Agreement on Items of Difference

3. **Part-Time Independent Student Grants.** The Governor and Senate included \$6.0 million to initiate a revised version of the Part-Time Independent Student Grants created by Public Act 102 of 1986. The grants were established to foster the pursuit of postsecondary education by part-time students who have financial need. The House reduced funding for the grants to \$2,928,100. The Conference did not include funding for the grants. The language section associated with this program (Sec. 215) was also removed. 0

FY 2015-16 COMMUNITY COLLEGES BUDGET

- 4. **Performance Funding.** The Governor included a \$4.3 million SAF (1.4%) increase for community college operations distributed through a modified version of the Performance Indicators Task Force Formula that has been used in recent years. The Governor eliminated the Local Strategic Value portion of the formula which was previously used to distribute 15.0% of the formula allocations. The Governor transferred the 15.0% to the Weighted Degree portion of the formula, increasing that distribution from 17.5% of the formula to 32.5%. The Senate and House maintained the Local Strategic Value portion of the formula and did not concur with the Governor's changes. The Senate concurred with the amount of the Governor's funding increase (\$4.3 million). The House increased funding to \$6.1 million (2.0% increase). The Conference concurred with the Senate. Table 1 and Table 2 include details of allocations by college. 4,300,700

- 5. **Funding Shift.** The FY 2014-15 supplemental (2015 PA 5) shifted \$167.1 million from the State General Fund to the School Aid Fund (SAF), resulting in the entire FY 2014-15 Community College budget being funded from the SAF. The Governor's FY 2015-16 recommendation for community colleges shifted \$137.1 million back to the State General Fund, leaving \$256.7 million supported by the SAF. The SAF was used to support all of the funding increases recommended by the Governor, and fund a share of base costs. The House concurred with the Governor's recommended level of funding from SAF. The Senate shifted an additional \$14.4 million from the State General Fund to the SAF, resulting in FY 2015-16 funding of \$271.1 million from the SAF. The Conference concurred with the Governor and House (\$256.7 million SAF). 0

Total Changes	\$23,100,700
FY 2015-16 Initial Ongoing/One-Time Gross Appropriation	\$387,825,600

Boilerplate Changes from FY 2014-15 Year-to-Date:

Items Included by the Senate and House

- 1. **Transparency.** Requires each community college to make available through links on its website homepage its annual operating budget, links to the most recent activities classification structure report, current collective bargaining agreements, health care plans, audits and financial reports, projected General Fund revenue and expenditures and debt service obligations, estimated costs incurred due to Affordable Health Care Act (ACA), opportunities for earning college credit through dual enrollment and compliance with best practices. Includes certain format requirements consistent with K-12 reporting. Provides that the State Budget Director determines compliance and allows for withholding of State aid payments for noncompliance. The Governor eliminated estimated costs of ACA, Board of Trustees resolution regarding compliance with best practices, the State Budget Director's authority to withhold funds for failure to comply with transparency site requirements, and dual enrollment reporting requirements. The Senate and House did not concur with the Governor and maintained current-year language. (Sec. 209)

- 2. **Block Transfers.** (1) It is the intent of the Legislature that the Michigan Association of Collegiate Registrars and Admission Officers implement any agreement or agreements among the community colleges and universities concerning the transferability of college courses resulting from the recommendations of the committee created under former section 210a. (2) It is the intent of the Legislature that the Michigan Association of Collegiate Registrars and Admissions Officers, the Michigan Community College Association, and the Presidents Council, State universities of Michigan shall together submit an implementation update report to the Senate and House Appropriations Subcommittees on Community Colleges and Higher Education, the Senate and House Fiscal Agencies, and the State Budget Director by March 1, 2015. The Governor removed the implementation update report and transferred the implementation requirement in (1) to a new Sec. 213 (2). The Senate and House maintained the implementation update report and included a new section providing for a workgroup to reach agreement on a 60-credit block that would transfer to universities. (Secs. 210b and 210c)

- 3. **Independent Part-Time Student Grants.** The Governor, Senate, and House included new language encouraging colleges to prioritize Independent Part-Time Student grants for aid to students who have enrolled in an academic program after not being enrolled for more than a semester or term, who have previously earned credits in an academic program, and who have not yet earned a certificate or degree. The Senate and House added two subsections that outline Department of Treasury responsibilities regarding payment schedules and needs analysis criteria. The Conference eliminated funding for the program and therefore removed this section. (Sec. 215)

- 4. **Deleted Section.** The Governor, Senate, and House deleted one-time reporting requirement for ACS advisory committee. (Sec. 217) (4)

5. **Associate Degree Report.** Requires community colleges to report to the Workforce Development Agency (WDA) the numbers and type of associate degrees and other certificates awarded during the previous fiscal year. The Governor, Senate, and House added a sentence stating colleges shall work with the WDA and Center for Educational Performance and Information (CEPI) to develop a systematic approach for accomplishing this task. (Sec. 226)
6. **Restored Sections.** The 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 if the Management and Budget Act and Joint Capital Outlay Subcommittee use and finance requirements -- includes penalty for noncompliance (Sec. 208); encourages community colleges to achieve efficiencies through collaborations (Sec. 212); prohibition on use of appropriations for purchase or lease of foreign automobiles (Sec. 227); and prohibition on disciplinary action against an employee for communicating with a member of the Legislature or legislative staff (Sec. 228).

Conference Agreement on Items of Difference

7. **Legislative Intent.** Legislative intent references in sections 210, 213, 222, and 229 were eliminated by the Governor and the House. The Conference concurred with the House.
8. **Performance Indicators Task Force.** Delineates formula used for FY 2014-15 based on 2006 recommendations of the Performance Indicators Task Force. Sets criteria for Local Strategic Value component of the formula and requires certification of compliance by each college through a board of trustees' resolution. The Governor eliminated the Local Strategic Value portion of formula and increased weighted degrees to 32.5% of formula distribution. The Senate, House, and Conference did not concur with eliminating the Local Strategic Value portion of the formula.

The Governor added a new prerequisite requiring colleges to actively participate in, and submit timely updates to, the Michigan Transfer Network in order to receive performance funding. The Senate and House concurred with the new prerequisite. The Senate clarified "active participation" as submitting timely updates, including updated course equivalencies at least every six months. The Conference concurred with the Senate clarification regarding "active participation." (Sec. 230)
9. **Performance Metrics Review.** The Senate included a new section creating a task force to review, evaluate, discuss, and make recommendations regarding performance indicators established under the authority of Section 242 of Public Act 154 of 2005. The task force shall review whether the current metrics are the most appropriate and reliable performance indicators available and the most efficient methodology for connecting state funding to those indicators. Provides for report with recommendations. The Conference concurred with the Senate. (Sec. 230a)

Date Completed: 6-18-15

Fiscal Analyst: Bill Bowerman

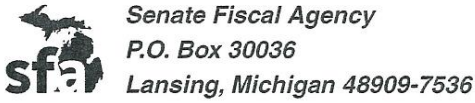
Table 1: FY 2015-16 Community College Appropriation

College	FY 2014-15 Year-To-Date	FY 2015-16 Adjustments							FY 2015-16 Initial Appropriation	Percent Change
		50% Proportionate To Base	17.5% Weighted Degree Formula	10.0% Student Contact Hours	7.5% Administrative Costs	15.0% Local Strategic Value	Total Formula Distribution	Non-Formula Adjustments*		
Alpena	\$5,390,700	37,735	\$10,402	3,454	10,830	11,321	73,700		\$5,464,400	1.4%
Bay de Noc	5,419,500	37,937	\$11,024	4,477	5,865	11,381	70,700		5,490,200	1.3%
Delta	14,498,900	101,493	\$38,684	19,550	14,879	30,448	205,100		14,704,000	1.4%
Glen Oaks	2,516,100	17,613	\$8,807	2,404	917	5,284	35,000		2,551,100	1.4%
Gogebic	4,451,400	31,160	\$6,810	2,456	8,709	9,348	58,500		4,509,900	1.3%
Grand Rapids	17,947,500	125,633	\$31,482	30,047	14,905	37,690	239,800		18,187,300	1.3%
Henry Ford	21,623,800	151,367	\$33,714	28,941	10,023	45,410	269,500		21,893,300	1.2%
Jackson	12,087,300	84,612	\$26,364	10,885	10,763	25,383	158,000		12,245,300	1.3%
Kalamazoo Valley	12,503,100	87,522	\$37,094	19,277	16,131	26,257	186,300		12,689,400	1.5%
Kellogg	9,813,500	68,695	\$20,679	11,296	15,369	20,608	136,600		9,950,100	1.4%
Kirtland	3,167,700	22,174	\$10,960	3,442	10,591	6,652	53,800		3,221,500	1.7%
Lake Michigan	5,342,900	37,400	\$9,632	7,802	8,794	11,220	74,800		5,417,700	1.4%
Lansing	30,877,600	216,144	\$77,783	33,686	18,144	64,843	410,600		31,288,200	1.3%
Macomb	32,816,600	229,717	\$60,465	47,070	16,683	68,915	422,900		33,239,500	1.3%
Mid Michigan	4,682,000	32,774	\$15,893	7,758	9,420	9,832	75,700		4,757,700	1.6%
Monroe	4,492,900	31,450	\$10,319	6,832	14,709	9,435	72,700		4,565,600	1.6%
Montcalm	3,226,700	22,587	\$9,328	3,258	11,925	6,776	53,900		3,280,600	1.7%
Mott	15,686,100	109,803	\$37,541	20,632	14,696	32,941	215,600		15,901,700	1.4%
Muskegon	8,901,000	62,307	\$13,781	9,129	15,768	18,692	119,700		9,020,700	1.3%
North Central	3,172,400	22,207	\$5,998	4,429	13,138	6,662	52,400		3,224,800	1.7%
Northwestern	9,078,800	63,552	\$15,963	9,707	13,385	19,066	121,700		9,200,500	1.3%
Oakland	21,123,300	147,864	\$53,434	49,697	10,744	44,359	306,100		21,429,400	1.4%
St. Clair	7,061,600	49,431	\$13,362	8,154	10,630	14,829	96,400		7,158,000	1.4%
Schoolcraft	12,513,700	87,596	\$41,999	24,980	11,844	26,279	192,700		12,706,400	1.5%
Southwestern	6,576,400	46,035	\$10,679	5,506	5,210	13,811	81,200		6,657,600	1.2%
Washtenaw	13,077,300	91,542	\$65,754	24,612	14,435	27,462	223,800		13,301,100	1.7%
Wayne County	16,727,600	117,094	\$70,277	27,962	11,742	35,128	262,200		16,989,800	1.6%
West Shore	2,414,900	16,904	\$4,394	2,630	2,303	5,071	31,300		2,446,200	1.3%
Subtotal Operations:	\$307,191,300	\$2,150,348	\$752,623	\$430,073	\$322,552	\$645,103	\$4,300,700	\$0	\$311,492,000	1.4%
Independent Part-Time Student Grants	\$0							\$0	0	0.0%
MPERS Retiree Health Care	1,733,600							0	1,733,600	0.0%
MPERS Reform Costs	52,300,000							17,200,000	69,500,000	32.9%
Renaissance Zone Reimbursements	3,500,000							1,600,000	5,100,000	45.7%
Total Appropriations:	\$364,724,900	\$2,150,348	\$752,623	\$430,073	\$322,552	\$645,103	\$4,300,700	\$18,800,000	\$387,825,600	6.3%
State School Aid Fund	364,724,900	2,150,348	752,623	430,073	322,552	645,103	4,300,700	(112,310,800)	\$256,714,800	-29.6%
GF/GP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$131,110,800	\$131,110,800	---

* Non-Formula Adjustments include cost increases for MPERS Reform and Renaissance Zone Reimbursements; and funding adjustments between the State General Fund and the School Aid Fund. The FY 2014-15 Year-To-Date column includes the funding shift contained in 2015 PA 5 that shifted \$167.1 million from GF/GP to the School Aid Fund, resulting in the entire FY 2014-15 Community College budget being funded from the School Aid Fund.

Table 2: FY 2015-16 Community College Appropriation

College	FY 2014-15 Year-To-Date	FY 2015-16 Governor's Recommendation			FY 2015-16 Senate			FY 2015-16 House			FY 2015-16 Initial Appropriation		
		Adjustments	Appropriation	Percent Change	Adjustments	Appropriation	Percent Change	Adjustments	Appropriation	Percent Change	Adjustments	Appropriation	Percent Change
Alpena	\$5,390,700	71,300	\$5,462,000	1.3%	73,700	\$5,464,400	1.4%	\$105,400	\$5,496,100	2.0%	73,700	\$5,464,400	1.4%
Bay de Noc	5,419,500	68,800	5,488,300	1.3%	70,700	5,490,200	1.3%	101,000	5,520,500	1.9%	70,700	5,490,200	1.3%
Delta	14,498,900	207,800	14,706,700	1.4%	205,100	14,704,000	1.4%	292,900	14,791,800	2.0%	205,100	14,704,000	1.4%
Glen Oaks	2,516,100	37,300	2,553,400	1.5%	35,000	2,551,100	1.4%	50,000	2,566,100	2.0%	35,000	2,551,100	1.4%
Gogebic	4,451,400	55,000	4,506,400	1.2%	58,500	4,509,900	1.3%	83,600	4,535,000	1.9%	58,500	4,509,900	1.3%
Grand Rapids	17,947,500	229,100	18,176,600	1.3%	239,800	18,187,300	1.3%	342,500	18,290,000	1.9%	239,800	18,187,300	1.3%
Henry Ford	21,623,800	252,900	21,876,700	1.2%	269,500	21,893,300	1.2%	385,000	22,008,800	1.8%	269,500	21,893,300	1.2%
Jackson	12,087,300	155,200	12,242,500	1.3%	158,000	12,245,300	1.3%	225,800	12,313,100	1.9%	158,000	12,245,300	1.3%
Kalamazoo Valley	12,503,100	191,800	12,694,900	1.5%	186,300	12,689,400	1.5%	266,100	12,769,200	2.1%	186,300	12,689,400	1.5%
Kellogg	9,813,500	133,800	9,947,300	1.4%	136,600	9,950,100	1.4%	195,200	10,008,700	2.0%	136,600	9,950,100	1.4%
Kirtland	3,167,700	56,600	3,224,300	1.8%	53,800	3,221,500	1.7%	76,900	3,244,600	2.4%	53,800	3,221,500	1.7%
Lake Michigan	5,342,900	71,900	5,414,800	1.3%	74,800	5,417,700	1.4%	106,900	5,449,800	2.0%	74,800	5,417,700	1.4%
Lansing	30,877,600	412,300	31,289,900	1.3%	410,600	31,288,200	1.3%	586,500	31,464,100	1.9%	410,600	31,288,200	1.3%
Macomb	32,816,600	405,800	33,222,400	1.2%	422,900	33,239,500	1.3%	604,000	33,420,600	1.8%	422,900	33,239,500	1.3%
Mid Michigan	4,682,000	79,500	4,761,500	1.7%	75,700	4,757,700	1.6%	108,100	4,790,100	2.3%	75,700	4,757,700	1.6%
Monroe	4,492,900	72,200	4,565,100	1.6%	72,700	4,565,600	1.6%	103,900	4,596,800	2.3%	72,700	4,565,600	1.6%
Montcalm	3,226,700	55,100	3,281,800	1.7%	53,900	3,280,600	1.7%	77,000	3,303,700	2.4%	53,900	3,280,600	1.7%
Mott	15,686,100	214,800	15,900,900	1.4%	215,600	15,901,700	1.4%	308,100	15,994,200	2.0%	215,600	15,901,700	1.4%
Muskegon	8,901,000	112,800	9,013,800	1.3%	119,700	9,020,700	1.3%	171,000	9,072,000	1.9%	119,700	9,020,700	1.3%
North Central	3,172,400	50,900	3,223,300	1.6%	52,400	3,224,800	1.7%	74,900	3,247,300	2.4%	52,400	3,224,800	1.7%
Northwestern	9,078,800	116,300	9,195,100	1.3%	121,700	9,200,500	1.3%	173,800	9,252,600	1.9%	121,700	9,200,500	1.3%
Oakland	21,123,300	307,500	21,430,800	1.5%	306,100	21,429,400	1.4%	437,300	21,560,600	2.1%	306,100	21,429,400	1.4%
St. Clair	7,061,600	93,000	7,154,600	1.3%	96,400	7,158,000	1.4%	137,700	7,199,300	1.9%	96,400	7,158,000	1.4%
Schoolcraft	12,513,700	202,400	12,716,100	1.6%	192,700	12,706,400	1.5%	275,200	12,788,900	2.2%	192,700	12,706,400	1.5%
Southwestern	6,576,400	76,600	6,653,000	1.2%	81,200	6,657,600	1.2%	116,000	6,692,400	1.8%	81,200	6,657,600	1.2%
Washtenaw	13,077,300	252,700	13,330,000	1.9%	223,800	13,301,100	1.7%	319,700	13,397,000	2.4%	223,800	13,301,100	1.7%
Wayne County	16,727,600	287,300	17,014,900	1.7%	262,200	16,989,800	1.6%	374,600	17,102,200	2.2%	262,200	16,989,800	1.6%
West Shore	2,414,900	30,000	2,444,900	1.2%	31,300	2,446,200	1.3%	44,700	2,459,600	1.9%	31,300	2,446,200	1.3%
Subtotal Operations:	\$307,191,300	\$4,300,700	\$311,492,000	1.4%	\$4,300,700	\$311,492,000	1.4%	\$6,143,800	\$313,335,100	2.0%	\$4,300,700	\$311,492,000	1.4%
Independent Part-Time Student Grants	\$0	\$6,000,000	\$6,000,000	---	\$6,000,000	\$6,000,000	---	\$2,928,100	\$2,928,100	---	\$0	\$0	0.0%
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	52,300,000	17,200,000	69,500,000	32.9%	17,200,000	69,500,000	32.9%	17,200,000	69,500,000	32.9%	17,200,000	69,500,000	32.9%
Renaissance Zone Reimbursements	3,500,000	1,600,000	5,100,000	45.7%	1,600,000	5,100,000	45.7%	1,600,000	5,100,000	45.7%	1,600,000	5,100,000	45.7%
Total Appropriations:	\$364,724,900	\$29,100,700	\$393,825,600	8.0%	\$29,100,700	\$393,825,600	8.0%	\$27,871,900	\$392,596,800	7.6%	\$23,100,700	\$387,825,600	6.3%
State School Aid Fund	364,724,900	(108,010,100)	256,714,800	-29.6%	(93,610,100)	271,114,800	-25.7%	(\$108,010,100)	256,714,800	-29.6%	(108,010,100)	256,714,800	-29.6%
GF/GP	\$0	\$137,110,800	\$137,110,800	---	\$122,710,800	\$122,710,800	---	\$135,882,000	\$135,882,000	---	\$131,110,800	\$131,110,800	---



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FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 INITIAL APPROPS.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	N/A	N/A	N/A	N/A
GROSS	1,517,496,300	1,534,724,400	17,228,100	1.1
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS	1,517,496,300	1,534,724,400	17,228,100	1.1
Less:				
Federal Funds.....	98,026,400	97,026,400	(1,000,000)	(1.0)
Local and Private	0	0	0	0.0
TOTAL STATE SPENDING	1,419,469,900	1,437,698,000	18,228,100	1.3
Less:				
Other State Restricted Funds.....	206,567,900	205,279,500	(1,288,400)	(0.6)
GENERAL FUND/GENERAL PURPOSE	1,212,902,000	1,232,418,500	19,516,500	1.6
PAYMENTS TO LOCALS	0	0	0	0.0

FY 2014-15 Year-to-Date Gross Appropriation \$1,517,496,300

Changes from FY 2014-15 Year-to-Date:

Items Included by the Senate and House

1. **Michigan Public School Employees Retirement System (MPSERS) Rate Cap.** The FY 2014-15 budget included \$2,446,200 School Aid Fund (SAF) in ongoing appropriations for MPSERS reimbursements. (\$2.0 million GF/GP originally included in this appropriation was replaced by SAF in an FY 2014-15 supplemental, 2015 PA 5.) The Governor increased ongoing appropriations from \$2,446,200 to \$5,160,000, supported entirely by the SAF. The Senate and House concurred with Governor. 2,713,800

The Governor's proposal included implementing an employer's cap on contributions for MPSERS unfunded accrued liability (UAL) payments (25.73% of payroll). This is similar to the cap that was implemented for K-12 and community college employers. The cap is based on FY 2011-12 UAL payments by MPSERS universities. The affected universities include Central, Eastern, Ferris, Lake Superior, Michigan Tech, Northern, and Western. Payments by the State for the cap will increase from \$5.2 million in FY 2015-16 to \$10.3 million in FY 2035-36. Over that time period, the cost to the State is estimated at \$156.1 million. Amendments to the MPSERS Act are necessary to implement the proposed cap.

2. **Midwest Higher Education Compact Dues.** The 12-member states of the Compact are: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin. The work of the Compact is financed through member state dues and foundation grants. Examples of Compact projects are the Midwest Student Exchange Program, the Distributed Learning Workshop, and collaborations on computing, insurance, and telecommunications issues. The Governor increased the appropriation from \$95,000 to \$115,000 GF/GP. The Senate and House concurred with the Governor. 20,000

FY 2015-16 HIGHER EDUCATION BUDGET

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|---|-------------|
| <p>3. Michigan College Access Network. The \$2.0 million GF/GP appropriation supports Michigan college access network operations, programming, and services to local college access networks. The Governor transferred the program to the K-12 budget. The Senate and House concurred.</p> | (2,000,000) |
| <p>4. Indian Tuition Waiver. Public Act 174 of 1976 provides for free tuition for Michigan resident North American Indians who attend Michigan public community colleges, universities, and certain Federal tribally controlled community colleges. Since the waiver appropriations were rolled into the operations funding for each university in FY 1996-97, State appropriations have not kept pace with actual costs. In FY 2014-15, universities absorbed \$4.7 million of waiver costs. The FY 2014-15 budget included \$500,000 GF/GP to offset a portion of the shortfall. The Governor transferred the \$500,000 to university operations appropriations based on the number of students receiving waivers at each institution compared to that institution's total fiscal year equated students. The Senate and House concurred.</p> | 0 |
| <p>5. FY 2014-15 Contingency Fund Transfer. Subsequent to passage of the Higher Education budget, a contingency fund transfer increased the appropriation for the Tuition Incentive Program by \$1.0 million. This adjustment was not included in the FY 2015-16 budget.</p> | (1,000,000) |
| <p>6. Eliminate FY 2014-15 One-Time Funding. The Governor, Senate, and House eliminated the FY 2014-15 one-time appropriation from the SAF for MPSERS reimbursements.</p> | (4,002,200) |

Conference Agreement on Items of Difference

- | | |
|--|------------|
| <p>7. University Operations Increase. The Governor and the Senate included a \$26.8 million (2.0%) increase for university operations funded by the State General Fund (GF/GP). In FY 2014-15, half of the funding increase was distributed across-the-board. The Governor, Senate, and House eliminated the across-the-board distribution for FY 2015-16. The performance-based metrics from the previous year are maintained. The allocation based on students receiving Pell Grants is changed from being based on the absolute number of students to the percentage of students at each institution that receive Pell Grants. Prerequisites in order to receive performance funding are continued. The House reduced the increase to \$13.6 million (1.0%) and adjusted the formula based on corrections to Saginaw Valley State University (SVSY) performance data. The Conference included a 1.5% increase and concurred in the adjustments for Saginaw Valley State University performance data. Details of allocations by university are included in <u>Table 1</u> and <u>Table 2</u>.</p> | 20,099,400 |
| <p>8. MSU AgBioResearch. AgBioResearch performs agricultural research to promote efficient production, marketing, distribution, and use of farm products. The Governor included a \$640,600 (2.0%) GF/GP increase for MSU AgBioResearch. The Senate concurred with the Governor. The House reduced the increase to \$312,800 (1.0%). The Conference included a 1.5% increase.</p> | 480,400 |
| <p>9. MSU Extension. MSU Extension Services identify and solve farm, home, and community problems through the practical application of Federal and State research findings. MSU Extension Services operates Michigan's Expanded Food and Nutrition Education Program (EFNEP), and serves as a resource for youth 4-H programs. The Governor included a \$551,600 (2.0%) GF/GP increase for MSU Extension. The Senate concurred with the Governor. The House reduced the increase to \$269,400 (1.0%). The Conference included a 1.5% increase.</p> | 413,700 |
| <p>10. Tuition Grants. The Governor and Senate maintained funding at the FY 2014-15 level. The House included a \$327,500 GF/GP (1.0%) increase. The Conference included a 1.5% increase.</p> | 503,000 |

Total Changes	\$17,228,100
FY 2015-16 Initial Ongoing/One-Time Gross Appropriation	\$1,534,724,400

Boilerplate Changes from FY 2014-15 Year-to-Date:Items Included by the Senate and House

1. **Payment Schedule.** Provides for distributions by the State Treasurer to the respective institutions in 11 equal monthly installments. Subjects payments to Section 265a (submitting HEIDI data). The Governor, Senate, and House added compliance with Section 244 (submitting P-20 data to CEPI) as condition for receiving monthly payments. (Sec. 241)
2. **Budget Transparency.** Posting of financial and other information on university websites. The Governor eliminated the State Budget Director's authority to determine compliance and dual enrollment reporting. The Senate and House maintained current-year provisions. (Sec. 245)
3. **MPSERS Reimbursement.** The Governor modified this section based on his proposal to cap the rate for UAL payments by MPSERS universities at 25.73%. The Senate and House concurred. (Sec. 246)
4. **Needs Analysis Criteria.** The Department of Treasury shall determine the needs analysis criteria for students to qualify for the State Competitive Scholarship Program and Tuition Grant Program. The Governor, Senate, and House included the Independent Part-Time Student Grant Program. (Sec. 255/Sec.215)
5. **Student Financial Aid Programs Report.** Requires that the Department of Treasury shall post to its publicly available website a report for the preceding fiscal year on all student financial aid programs for which funds are appropriated in section 236. The Governor, Senate, and House added programs included in Section 201. (Sec. 258)
6. **Restored Sections.** The Senate and House restored the following sections that were removed by the Governor: intent regarding appropriations for the next fiscal year (Sec. 236a); purchase of foreign automobiles prohibition (Sec. 239a); provision stating the acceptance and use of Federal or private funds does not place an obligation upon the Legislature to continue the purposes for which the funds are made available (last sentence of Sec. 242); intent regarding protection/preservation of U of M Douglas Lake Biological Station (Sec. 261); discouraged instruction activity (Sec. 271a); human embryonic stem cell research report (Sec. 274); Yellow Ribbon GI Education Enhancement Program notice/reporting requirements (portion of Sec. 275); prohibits use of funds for the construction or maintenance of a self-liquidating project, requires compliance with Section 238 of 1984 PA 431 and JCOS use and finance requirements, and includes penalty provisions (Sec. 275a).
7. **Deleted Provisions.** The Governor, Senate, and House removed the following sections: College Access Program (Program transferred to K-12, Sec. 259); language stating intent that universities develop policies to minimize the cost of textbooks and course materials and requires report (Sec 262a); counseling degree programs/student's religious beliefs (Sec. 273); and legislative intent regarding adult co-resident health benefits (Sec. 274a).

Conference Agreement on Items of Difference

8. **State Tuition Grant Program.** The Governor changed application deadline from July 1 to March 1 beginning with 2015-2016 academic year; eliminated the carryforward of unexpended grants; removed reporting of projected balances and changes reporting from twice a year to once a year; reduced limit on how much can be awarded to students at a single institution from \$3.2 million to \$3.0 million; and required institutions to provide P-20 Data for students to receive tuition grant awards beginning with September 30, 2016. The Senate did not concur with the Governor and maintained current-year language with clarifications on existing reporting requirements. The House increased the limit on funding to each institution to \$3.3 million, reduced status reporting from twice a year to once a year, and included a new requirement on sexual assault response training. The Conference concurred with the House on once a year status reporting and the new reporting requirement on sexual assault training. The Conference maintained the current year per institution cap of \$3.2 million. (Sec. 252)
9. **Student Financial Aid Distributions and Needs Analysis Criteria.** The Governor, Senate, and House adjusted based on proposed funding in Community College budget for the Part-time, Independent Student Grants program. Senate language made generic references instead of listing specific programs. The Conference adjusted the language based on the Part-time, Independent Student Grants program not being funded in the Community College budget, and maintained specific listing of financial aid programs. (Sec. 254 and Sec. 255)
10. **Tuition Incentive Program.** Sets criteria and financial thresholds for the Tuition Incentive Program (TIP). TIP provides an incentive to students to complete high school and go on to college. Students in grades 6 through 12 who are Medicaid-eligible for 24 months can qualify for TIP. Certification of Medicaid eligibility can only be provided by Department of Human Services. Incarcerated individuals are not eligible for TIP. The Governor and House eliminated the provision that limits Phase II of TIP to credits earned at a four-year college or university. The Senate did not concur. The Conference concurred with the Senate. (Sec. 256)

11. **Common Application.** The Governor added a new section stating that a public university is encouraged to adopt the common application, managed by the common application, incorporated, to make postsecondary education more accessible to students in this State. The House concurred; the Senate did not. The Conference concurred with the Senate and did not include this section. (Sec. 260)
12. **Tuition Restraint.** The Governor set tuition restraint at 2.8%, removed university required health insurance costs from fee calculation, and included date revisions. The Senate concurred with setting tuition restraint at 2.8% and date revisions, but did not concur with revisions to fee calculations. The House set tuition restraint at the higher of 4.0%, or \$400, and removed health insurance from the fee calculations. The Conference set tuition restraint at 3.2% and maintained university-mandated health insurance as part of the calculation. (Sec. 265)
13. **Performance Funding Criteria.** The Governor maintained current prerequisites and in addition required "active" participation in and "timely updates submitted to" the Michigan Transfer Network. Formula changes include elimination of the across-the-board distribution from performance funding and adjusting allocations for other criteria, changing Pell portion of formula to distribution based on percentage of Pell students instead of absolute number, and eliminating intent statement to change improving score for Carnegie distributions to a value of one in the next fiscal year. The Senate and House concurred with formula adjustments but did not concur with modifications to the Michigan Transfer Network prerequisite. The Senate maintained the intent statement to change the score for improving, the House did not. The Conference concurred with the Senate. (Sec. 265a)
14. **Indian Tuition Waiver.** The Governor removed legislative intent statement that funds be allocated from the General Fund for unfunded North American Indian tuition waiver costs incurred by public universities. The Governor also removed distribution of FY 2014-15 funds due to rolling the appropriation into university operation appropriations. A new provision was included stating universities shall provide to the Department of Civil Rights any information necessary for preparing the report required in this section. The Senate concurred with the Governor. The House restored the intent statement. The Conference concurred with the House. (Sec. 268)
15. **Transfer Credits.** Requires public universities to submit a report on the number of credits earned by incoming resident students at other postsecondary institutions that were rejected by the university for transfer along with explanatory information regarding the rationale for the rejection of the credits. The Senate removed this section. The Conference concurred with the Senate. (Sec. 272a)
16. **Other Changes.** The Senate restored Federal Educational Rights & Privacy Act compliance (Sec. 293) and legislative intent references (Sec. 263a and Sec. 286). The Conference concurred with the Senate on Section 263a and Section 293. The Conference concurred with the House on Section 286.

Date Completed: 6-18-15

Fiscal Analyst: Bill Bowerman

Table 1: FY 2015-16 HIGHER EDUCATION APPROPRIATION

	FY 2015-16 Adjustments									
	FY 2014-15 Year-To-Date Appropriation	Critical Skills	Research & Development	Metrics based on Carnegie Peers	Total Formula Distribution	Other Changes*	FY 2015-16 Initial Appropriation	Dollar Change From 2014-15	Percent Change	FY 2015-16 Appropriation per FYES**
Central	\$79,115,000	220,934	19,105	1,499,530	1,739,600	\$49,800	\$80,904,400	\$1,789,400	2.3%	\$3,873
Eastern	71,771,100	213,579		839,188	1,052,800	11,400	72,835,300	1,064,200	1.5%	4,011
Ferris	49,087,000	360,261		748,443	1,108,700	32,100	50,227,800	1,140,800	2.3%	4,137
Grand Valley	63,136,000	372,988		1,505,678	1,878,700	20,500	65,035,200	1,899,200	3.0%	2,932
Lake Superior	12,782,500	52,764		133,339	186,100	215,000	13,183,600	401,100	3.1%	6,064
Michigan State	264,429,100	783,254	553,972	2,503,779	3,841,000	8,800	268,278,900	3,849,800	1.5%	5,837
Michigan Tech	45,923,100	255,418	90,516	378,025	724,000	14,900	46,662,000	738,900	1.6%	7,208
Northern	44,277,200	149,999		532,113	682,100	61,100	45,020,400	743,200	1.7%	5,606
Oakland	48,364,100	314,095	17,350	896,982	1,228,400	7,800	49,600,300	1,236,200	2.6%	2,903
Saginaw Valley	27,610,200	123,158		372,954	496,100	11,400	28,117,700	507,500	1.8%	3,186
UM-Ann Arbor	295,174,100	839,606	1,257,206	2,155,315	4,252,100	4,400	299,430,600	4,256,500	1.4%	6,831
UM-Dearborn	23,689,300	116,524		177,847	294,400	11,700	23,995,400	306,100	1.3%	3,609
UM-Flint	21,337,700	145,655		258,472	404,100	21,900	21,763,700	426,000	2.0%	3,156
Wayne State	190,519,800	210,839	262,257	343,699	816,800	10,100	191,346,700	826,900	0.4%	8,450
Western	102,742,000	307,461	32,861	1,054,236	1,394,500	19,100	104,155,600	1,413,600	1.4%	5,058
Subtotal University Operations:	\$1,339,958,200	\$4,466,535	\$2,233,267	\$13,399,600	\$20,099,400	\$500,000	\$1,360,557,600	\$20,599,400	1.5%	5,182
MPERSERS Reimbursement	2,446,200					2,713,800	5,160,000	2,713,800	110.9%	
MPERSERS Reimbursement (FY15 one-time)	4,002,200					(4,002,200)	0	(4,002,200)	-100.0%	
MSU AgBioResearch	32,027,900					480,400	32,508,300	480,400	1.5%	
MSU Extension	27,581,100					413,700	27,994,800	413,700	1.5%	
Higher Education Database	200,000					0	200,000	0	0.0%	
Midwest Higher Ed Compact	95,000					20,000	115,000	20,000	21.1%	
King-Chavez-Parks	2,691,500					0	2,691,500	0	0.0%	
College Access Program	2,000,000					(2,000,000)	0	(2,000,000)	-100.0%	
Total Universities	\$1,411,002,100	\$4,466,535	\$2,233,267	\$13,399,600	\$20,099,400	(\$1,874,300)	\$1,429,227,200	\$18,225,100	1.3%	
School Aid Fund	\$206,467,900	0	0	0	0	(\$1,288,400)	205,179,500	(\$1,288,400)	-0.6%	
State GF/GP	\$1,204,534,200	\$4,466,535	\$2,233,267	\$13,399,600	\$20,099,400	(\$585,900)	\$1,224,047,700	\$19,513,500	1.6%	
Grants and Financial Aid										
State Competitive Scholarships	\$18,361,700					\$0	\$18,361,700	\$0	0.0%	
Tuition Grants	33,532,500					503,000	34,035,500	503,000	1.5%	
Tuition Incentive Program (TIP)	49,500,000					(1,000,000)	48,500,000	(1,000,000)	-2.0%	
Children of Veterans & Officer's Tuition	1,400,000					0	1,400,000	0	0.0%	
Project Gear-Up	3,200,000					0	3,200,000	0	0.0%	
North American Indian Tuition Waiver	500,000					(500,000)	0	(500,000)	-100.0%	
Total Grants/Financial Aid	\$106,494,200					(997,000)	\$105,497,200	(\$997,000)	-0.9%	
Federal Higher Ed Act	3,200,000					0	3,200,000	0	0.0%	
Federal TANF	94,826,400					(1,000,000)	93,826,400	(1,000,000)	-1.1%	
Veterans Tax Check-off	100,000					0	100,000	0	0.0%	
State GF/GP	\$8,367,800					\$3,000	\$8,370,800	\$3,000	0.0%	
TOTAL HIGHER EDUCATION										
TOTAL ALL FUNDS	\$1,517,496,300	\$4,466,535	\$2,233,267	\$13,399,600	\$20,099,400	(\$2,871,300)	\$1,534,724,400	\$17,228,100	1.1%	
TOTAL FEDERAL	98,026,400	0	0	0	0	(1,000,000)	97,026,400	(1,000,000)	-1.0%	
TOTAL STATE RESTRICTED	206,567,900	0	0	0	0	(1,288,400)	205,279,500	(1,288,400)	-0.6%	
TOTAL STATE GF/GP	\$1,212,902,000	\$4,466,535	\$2,233,267	\$13,399,600	\$20,099,400	(\$582,900)	\$1,232,418,500	\$19,516,500	1.6%	

*Other Changes Column: MPERSERS adjustments, MSU AgBioResearch and MSU Extension increase, Midwest Higher Education Compact dues increase, transfer Michigan College Access Program to K-12 budget, and roll Indian Tuition Waiver funding into university operation appropriations,

**FYES: Fiscal year equated students as reported in Higher Education Institutional Data Inventory for FY 2013-14.

Table 2: FY 2015-16 HIGHER EDUCATION APPROPRIATION

University	FY 2014-15 Year-To-Date	Governor			Senate			House			Initial Appropriation		
		FY 2015-16 Gov. Rec.	Dollar Change	Percent Change	FY 2015-16 Senate	Dollar Change	Percent Change	FY 2015-16 House	Dollar Change	Percent Change	FY 2015-16 Conference	Dollar Change	Percent Change
Central	\$79,115,000	\$81,502,900	\$2,387,900	3.0%	\$81,502,900	\$2,387,900	3.0%	\$80,297,400	\$1,182,400	1.5%	\$80,904,400	\$1,789,400	2.3%
Eastern	71,771,100	73,196,700	1,425,600	2.0%	73,196,700	1,425,600	2.0%	72,467,900	696,800	1.0%	72,835,300	1,064,200	1.5%
Ferris	49,087,000	50,606,700	1,519,700	3.1%	50,606,700	1,519,700	3.1%	49,840,900	753,900	1.5%	50,227,800	1,140,800	2.3%
Grand Valley	63,136,000	65,680,200	2,544,200	4.0%	65,680,200	2,544,200	4.0%	64,379,600	1,243,600	2.0%	65,035,200	1,899,200	3.0%
Lake Superior	12,782,500	13,247,300	464,800	3.6%	13,247,300	464,800	3.6%	13,118,700	336,200	2.6%	13,183,600	401,100	3.1%
Michigan State	264,429,100	269,590,500	5,161,400	2.0%	269,590,500	5,161,400	2.0%	266,938,600	2,509,500	0.9%	268,278,900	3,849,800	1.5%
Michigan Tech	45,923,100	46,908,000	984,900	2.1%	46,908,000	984,900	2.1%	46,409,300	486,200	1.1%	46,662,000	738,900	1.6%
Northern	44,277,200	45,254,400	977,200	2.2%	45,254,400	977,200	2.2%	44,782,400	505,200	1.1%	45,020,400	743,200	1.7%
Oakland	48,364,100	50,021,000	1,656,900	3.4%	50,021,000	1,656,900	3.4%	49,171,700	807,600	1.7%	49,600,300	1,236,200	2.6%
Saginaw Valley	27,610,200	28,120,400	510,200	1.8%	28,120,400	510,200	1.8%	27,944,600	334,400	1.2%	28,117,700	507,500	1.8%
UM-Ann Arbor	295,174,100	300,874,900	5,700,800	1.9%	300,874,900	5,700,800	1.9%	297,946,900	2,772,800	0.9%	299,430,600	4,256,500	1.4%
UM-Dearborn	23,689,300	24,095,700	406,400	1.7%	24,095,700	406,400	1.7%	23,892,700	203,400	0.9%	23,995,400	306,100	1.3%
UM-Flint	21,337,700	21,901,700	564,000	2.6%	21,901,700	564,000	2.6%	21,622,700	285,000	1.3%	21,763,700	426,000	2.0%
Wayne State	190,519,800	191,623,200	1,103,400	0.6%	191,623,200	1,103,400	0.6%	191,061,700	541,900	0.3%	191,346,700	826,900	0.4%
Western	102,742,000	104,633,700	1,891,700	1.8%	104,633,700	1,891,700	1.8%	103,669,100	927,100	0.9%	104,155,600	1,413,600	1.4%
Subtotal University Operations:	\$1,339,958,200	\$1,367,257,300	\$27,299,100	2.0%	\$1,367,257,300	\$27,299,100	2.0%	\$1,353,544,200	\$13,586,000	1.0%	\$1,360,557,600	\$20,599,400	1.5%
MPSERS Reimbursement	2,446,200	5,160,000	2,713,800	110.9%	5,160,000	2,713,800	110.9%	5,160,000	2,713,800	110.9%	5,160,000	2,713,800	110.9%
MPSERS Reimbursement (1-time)	4,002,200	0	(4,002,200)	-100.0%	0	(4,002,200)	-100.0%	0	(4,002,200)	-100.0%	0	(4,002,200)	-100.0%
MSU AgBioResearch	32,027,900	32,668,500	640,600	2.0%	32,668,500	640,600	2.0%	32,340,700	312,800	1.0%	32,508,300	480,400	1.5%
MSU Extension	27,581,100	28,132,700	551,600	2.0%	28,132,700	551,600	2.0%	27,850,500	269,400	1.0%	27,994,800	413,700	1.5%
Higher Education Database	200,000	200,000	0	0.0%	200,000	0	0.0%	200,000	0	0.0%	200,000	0	0.0%
Midwest Higher Ed Compact	95,000	115,000	20,000	21.1%	115,000	20,000	21.1%	115,000	20,000	21.1%	115,000	20,000	21.1%
King-Chavez-Parks	2,691,500	2,691,500	0	0.0%	2,691,500	0	0.0%	2,691,500	0	0.0%	2,691,500	0	0.0%
College Access Program	2,000,000	0	(2,000,000)	-100.0%	0	(2,000,000)	-100.0%	0	(2,000,000)	-100.0%	0	(2,000,000)	-100.0%
Total Universities	\$1,411,002,100	\$1,436,225,000	\$25,222,900	1.8%	\$1,436,225,000	\$25,222,900	1.8%	\$1,421,901,900	\$10,899,800	0.8%	\$1,429,227,200	\$18,225,100	1.3%
School Aid Fund	\$206,467,900	205,179,500	(\$1,288,400)	-0.6%	205,179,500	(1,288,400)	-0.6%	205,179,500	(1,288,400)	-0.6%	205,179,500	(1,288,400)	-0.6%
State GF/GP	\$1,204,534,200	\$1,231,045,500	\$26,511,300	2.2%	\$1,231,045,500	26,511,300	2.2%	\$1,216,722,400	12,188,200	1.0%	1,224,047,700	19,513,500	1.6%
Grants and Financial Aid													
State Competitive Scholarships	\$18,361,700	\$18,361,700	\$0	0.0%	\$18,361,700	0	0.0%	18,361,700	0	0.0%	18,361,700	0	0.0%
Tuition Grants	33,532,500	33,532,500	0	0.0%	33,532,500	0	0.0%	33,860,000	327,500	1.0%	34,035,500	503,000	1.5%
Tuition Incentive Program (TIP)	49,500,000	48,500,000	(1,000,000)	-2.0%	48,500,000	(1,000,000)	-2.0%	48,500,000	(1,000,000)	-2.0%	48,500,000	(1,000,000)	-2.0%
Children of Veterans & Officer's Tuition	1,400,000	1,400,000	0	0.0%	1,400,000	0	0.0%	1,400,000	0	0.0%	1,400,000	0	0.0%
Project Gear-Up	3,200,000	3,200,000	0	0.0%	3,200,000	0	0.0%	3,200,000	0	0.0%	3,200,000	0	0.0%
North American Indian Tuition Waiver	500,000	0	(500,000)	-100.0%	0	(500,000)	-100.0%	0	(500,000)	-100.0%	0	(500,000)	-100.0%
Total Grants/Financial Aid	\$106,494,200	\$104,994,200	(\$1,500,000)	-1.4%	\$104,994,200	(1,500,000)	-1.4%	\$105,321,700	(1,172,500)	-1.1%	105,497,200	(997,000)	-0.9%
Federal Higher Ed Act	3,200,000	3,200,000	0	0.0%	3,200,000	0	0.0%	3,200,000	0	0.0%	3,200,000	0	0.0%
Federal TANF	94,826,400	93,826,400	(1,000,000)	-1.1%	93,826,400	(1,000,000)	-1.1%	93,826,400	(1,000,000)	-1.1%	93,826,400	(1,000,000)	-1.1%
Veterans Tax Check-off	100,000	100,000	0	0.0%	100,000	0	0.0%	100,000	0	0.0%	100,000	0	0.0%
State GF/GP	\$8,367,800	\$7,867,800	(\$500,000)	-6.0%	\$7,867,800	(500,000)	-6.0%	\$8,195,300	(172,500)	-2.1%	\$8,370,800	3,000	0.0%
TOTAL HIGHER EDUCATION													
TOTAL ALL FUNDS	\$1,517,496,300	\$1,541,219,200	\$23,722,900	1.6%	\$1,541,219,200	\$23,722,900	1.6%	\$1,527,223,600	\$9,727,300	0.6%	\$1,534,724,400	\$17,228,100	1.1%
TOTAL FEDERAL	98,026,400	97,026,400	(1,000,000)	-1.0%	97,026,400	(1,000,000)	-1.0%	97,026,400	(1,000,000)	-1.0%	97,026,400	(1,000,000)	-1.0%
TOTAL STATE RESTRICTED	206,567,900	205,279,500	(1,288,400)	-0.6%	205,279,500	(1,288,400)	-0.6%	205,279,500	(1,288,400)	-0.6%	205,279,500	(1,288,400)	-0.6%
TOTAL STATE GF/GP	\$1,212,902,000	\$1,238,913,300	\$26,011,300	2.1%	\$1,238,913,300	\$26,011,300	2.1%	\$1,224,917,700	\$12,015,700	1.0%	\$1,232,418,500	\$19,516,500	1.6%