

**SUBSTITUTE FOR  
SENATE BILL NO. 784**

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 201, 201a, 202a, 203, 206, 207, 207a, 207b, 207c, 209, 210b, 212, 217, 219, 220, 222, 224, 225, 226, 229a, and 230 (MCL 388.1801, 388.1801a, 388.1802a, 388.1803, 388.1806, 388.1807, 388.1807a, 388.1807b, 388.1807c, 388.1809, 388.1810b, 388.1812, 388.1817, 388.1819, 388.1820, 388.1822, 388.1824, 388.1825, 388.1826, 388.1829a, and 388.1830), sections 201, 201a, 206, 207a, 207b, 207c, 209, 210b, 217, 222, 225, 226, 229a, and 230 as amended by 2015 PA 85, sections 202a and 224 as amended by 2014 PA 196, and sections 203, 207, 212, 219, and 220 as amended by 2012 PA 201, and by adding section 210e; and to repeal acts and parts of acts.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 201. (1) Subject to the conditions set forth in this  
2 article, the amounts listed in this section are appropriated for  
3 community colleges for the fiscal year ending September 30, ~~2016,~~  
4 **2017**, from the funds indicated in this section. The following is a  
5 summary of the appropriations in this section:

6           (a) The gross appropriation is ~~\$387,825,600.00.~~  
7 **\$399,025,600.00**. After deducting total interdepartmental grants and  
8 intradepartmental transfers in the amount of \$0.00, the adjusted  
9 gross appropriation is ~~\$387,825,600.00.~~**\$399,025,600.00.**

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

12           (i) Total federal revenues, \$0.00.

13           (ii) Total local revenues, \$0.00.

14           (iii) Total private revenues, \$0.00.

15           (iv) Total other state restricted revenues,  
16 ~~\$256,714,800.00.~~**\$260,414,800.00.**

17           (v) State general fund/general purpose money,  
18 ~~\$131,110,800.00.~~**\$138,610,800.00.**

19           (2) Subject to subsection (3), the amount appropriated for  
20 community college operations is ~~\$311,492,000.00,~~**\$318,992,000.00,**  
21 allocated as follows:

22           (a) The appropriation for Alpena Community College is  
23 ~~\$5,464,400.00, \$5,390,700.00 for operations and \$73,700.00 for~~  
24 ~~performance funding.~~**\$5,601,200.00, \$5,464,400.00 FOR OPERATIONS AND**  
25 **\$136,800.00 FOR PERFORMANCE FUNDING.**

26           (b) The appropriation for Bay de Noc Community College is

1 ~~\$5,490,200.00, \$5,419,500.00 for operations and \$70,700.00 for~~  
2 ~~performance funding.~~ **\$5,610,700.00, \$5,490,200.00 FOR OPERATIONS AND**  
3 **\$120,500.00 FOR PERFORMANCE FUNDING.**

4 (c) The appropriation for Delta College is ~~\$14,704,000.00,~~  
5 ~~\$14,498,900.00 for operations and \$205,100.00 for performance~~  
6 ~~funding.~~ **\$15,051,200.00, \$14,704,000.00 FOR OPERATIONS AND**  
7 **\$347,200.00 FOR PERFORMANCE FUNDING.**

8 (d) The appropriation for Glen Oaks Community College is  
9 ~~\$2,551,100.00, \$2,516,100.00 for operations and \$35,000.00 for~~  
10 ~~performance funding.~~ **\$2,612,200.00, \$2,551,100.00 FOR OPERATIONS AND**  
11 **\$61,100.00 FOR PERFORMANCE FUNDING.**

12 (e) The appropriation for Gogebic Community College is  
13 ~~\$4,509,900.00, \$4,451,400.00 for operations and \$58,500.00 for~~  
14 ~~performance funding.~~ **\$4,625,600.00, \$4,509,900.00 FOR OPERATIONS AND**  
15 **\$115,700.00 FOR PERFORMANCE FUNDING.**

16 (f) The appropriation for Grand Rapids Community College is  
17 ~~\$18,187,300.00, \$17,947,500.00 for operations and \$239,800.00 for~~  
18 ~~performance funding.~~ **\$18,636,000.00, \$18,187,300.00 FOR OPERATIONS**  
19 **AND \$448,700.00 FOR PERFORMANCE FUNDING.**

20 (g) The appropriation for Henry Ford College is  
21 ~~\$21,893,300.00, \$21,623,800.00 for operations and \$269,500.00 for~~  
22 ~~performance funding.~~ **\$22,375,200.00, \$21,893,300.00 FOR OPERATIONS**  
23 **AND \$481,900.00 FOR PERFORMANCE FUNDING.**

24 (h) The appropriation for Jackson College is ~~\$12,245,300.00,~~  
25 ~~\$12,087,300.00 for operations and \$158,000.00 for performance~~  
26 ~~funding.~~ **\$12,504,900.00, \$12,245,300.00 FOR OPERATIONS AND**  
27 **\$259,600.00 FOR PERFORMANCE FUNDING.**

1 (i) The appropriation for Kalamazoo Valley Community College  
2 is ~~\$12,689,400.00, \$12,503,100.00 for operations and \$186,300.00~~  
3 ~~for performance funding.~~ **\$13,003,900.00, \$12,689,400.00 FOR**  
4 **OPERATIONS AND \$314,500.00 FOR PERFORMANCE FUNDING.**

5 (j) The appropriation for Kellogg Community College is  
6 ~~\$9,950,100.00, \$9,813,500.00 for operations and \$136,600.00 for~~  
7 ~~performance funding.~~ **\$10,184,300.00, \$9,950,100.00 FOR OPERATIONS**  
8 **AND \$234,200.00 FOR PERFORMANCE FUNDING.**

9 (k) The appropriation for Kirtland Community College is  
10 ~~\$3,221,500.00, \$3,167,700.00 for operations and \$53,800.00 for~~  
11 ~~performance funding.~~ **\$3,304,100.00, \$3,221,500.00 FOR OPERATIONS AND**  
12 **\$82,600.00 FOR PERFORMANCE FUNDING.**

13 (l) The appropriation for Lake Michigan College is  
14 ~~\$5,417,700.00, \$5,342,900.00 for operations and \$74,800.00 for~~  
15 ~~performance funding.~~ **\$5,545,600.00, \$5,417,700.00 FOR OPERATIONS AND**  
16 **\$127,900.00 FOR PERFORMANCE FUNDING.**

17 (m) The appropriation for Lansing Community College is  
18 ~~\$31,288,200.00, \$30,877,600.00 for operations and \$410,600.00 for~~  
19 ~~performance funding.~~ **\$31,951,600.00, \$31,288,200.00 FOR OPERATIONS**  
20 **AND \$663,400.00 FOR PERFORMANCE FUNDING.**

21 (n) The appropriation for Macomb Community College is  
22 ~~\$33,239,500.00, \$32,816,600.00 for operations and \$422,900.00 for~~  
23 ~~performance funding.~~ **\$33,993,600.00, \$33,239,500.00 FOR OPERATIONS**  
24 **AND \$754,100.00 FOR PERFORMANCE FUNDING.**

25 (o) The appropriation for Mid Michigan Community College is  
26 ~~\$4,757,700.00, \$4,682,000.00 for operations and \$75,700.00 for~~  
27 ~~performance funding.~~ **\$4,887,800.00, \$4,757,700.00 FOR OPERATIONS AND**

1    **\$130,100.00 FOR PERFORMANCE FUNDING.**

2           (p) The appropriation for Monroe County Community College is  
3    ~~\$4,565,600.00, \$4,492,900.00 for operations and \$72,700.00 for~~  
4    ~~performance funding.~~**\$4,686,700.00, \$4,565,600.00 FOR OPERATIONS AND**  
5    **\$121,100.00 FOR PERFORMANCE FUNDING.**

6           (q) The appropriation for Montcalm Community College is  
7    ~~\$3,280,600.00, \$3,226,700.00 for operations and \$53,900.00 for~~  
8    ~~performance funding.~~**\$3,387,100.00, \$3,280,600.00 FOR OPERATIONS AND**  
9    **\$106,500.00 FOR PERFORMANCE FUNDING.**

10          (r) The appropriation for C.S. Mott Community College is  
11    ~~\$15,901,700.00, \$15,686,100.00 for operations and \$215,600.00 for~~  
12    ~~performance funding.~~**\$16,266,200.00, \$15,901,700.00 FOR OPERATIONS**  
13    **AND \$364,500.00 FOR PERFORMANCE FUNDING.**

14          (s) The appropriation for Muskegon Community College is  
15    ~~\$9,020,700.00, \$8,901,000.00 for operations and \$119,700.00 for~~  
16    ~~performance funding.~~**\$9,242,000.00, \$9,020,700.00 FOR OPERATIONS AND**  
17    **\$221,300.00 FOR PERFORMANCE FUNDING.**

18          (t) The appropriation for North Central Michigan College is  
19    ~~\$3,224,800.00, \$3,172,400.00 for operations and \$52,400.00 for~~  
20    ~~performance funding.~~**\$3,336,600.00, \$3,224,800.00 FOR OPERATIONS AND**  
21    **\$111,800.00 FOR PERFORMANCE FUNDING.**

22          (u) The appropriation for Northwestern Michigan College is  
23    ~~\$9,200,500.00, \$9,078,800.00 for operations and \$121,700.00 for~~  
24    ~~performance funding.~~**\$9,400,800.00, \$9,200,500.00 FOR OPERATIONS AND**  
25    **\$200,300.00 FOR PERFORMANCE FUNDING.**

26          (v) The appropriation for Oakland Community College is  
27    ~~\$21,429,400.00, \$21,123,300.00 for operations and \$306,100.00 for~~

1 ~~performance funding.~~ \$22,011,600.00, \$21,429,400.00 FOR OPERATIONS  
2 AND \$582,200.00 FOR PERFORMANCE FUNDING.

3 ~~— (w) The appropriation for St. Clair County Community College~~  
4 ~~is \$7,158,000.00, \$7,061,600.00 for operations and \$96,400.00 for~~  
5 ~~performance funding.~~

6 (W) ~~(x)~~ The appropriation for Schoolcraft College is  
7 \$12,706,400.00, \$12,513,700.00 for operations and \$192,700.00 for  
8 performance funding. \$13,052,300.00, \$12,706,400.00 FOR OPERATIONS  
9 AND \$345,900.00 FOR PERFORMANCE FUNDING.

10 (X) ~~(y)~~ The appropriation for Southwestern Michigan College is  
11 \$6,657,600.00, \$6,576,400.00 for operations and \$81,200.00 for  
12 performance funding. \$6,785,200.00, \$6,657,600.00 FOR OPERATIONS AND  
13 \$127,600.00 FOR PERFORMANCE FUNDING.

14 (Y) THE APPROPRIATION FOR ST. CLAIR COUNTY COMMUNITY COLLEGE  
15 IS \$7,330,600.00, \$7,158,000.00 FOR OPERATIONS AND \$172,600.00 FOR  
16 PERFORMANCE FUNDING.

17 (z) The appropriation for Washtenaw Community College is  
18 \$13,301,100.00, \$13,077,300.00 for operations and \$223,800.00 for  
19 performance funding. \$13,698,100.00, \$13,301,100.00 FOR OPERATIONS  
20 AND \$397,000.00 FOR PERFORMANCE FUNDING.

21 (aa) The appropriation for Wayne County Community College is  
22 \$16,989,800.00, \$16,727,600.00 for operations and \$262,200.00 for  
23 performance funding. \$17,406,400.00, \$16,989,800.00 FOR OPERATIONS  
24 AND \$416,600.00 FOR PERFORMANCE FUNDING.

25 (bb) The appropriation for West Shore Community College is  
26 \$2,446,200.00, \$2,414,900.00 for operations and \$31,300.00 for  
27 performance funding. \$2,500,500.00, \$2,446,200.00 FOR OPERATIONS AND

1 **\$54,300.00 FOR PERFORMANCE FUNDING.**

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

4 (a) State school aid fund, ~~\$236,181,200.00~~ **\$185,481,200.00.**

5 (b) State general fund/general purpose money,  
6 ~~\$75,310,800.00~~ **\$133,510,800.00.**

7 (4) From the appropriations described in subsection (1),  
8 subject to section 207a, the amount appropriated for fiscal year  
9 ~~2015-2016-2016-2017~~ to offset certain fiscal year ~~2015-2016-2016-~~  
10 **2017** retirement contributions is \$1,733,600.00, appropriated from  
11 the state school aid fund.

12 (5) From the appropriations described in subsection (1),  
13 subject to section 207b, the amount appropriated for payments to  
14 community colleges that are participating entities of the  
15 retirement system is ~~\$69,500,000.00, \$17,200,000.00~~ **\$73,200,000.00,**  
16 appropriated from the state school aid fund, ~~and \$52,300,000.00~~  
17 ~~appropriated from general fund/general purpose money.~~

18 (6) From the appropriations described in subsection (1),  
19 subject to section 207c, the amount appropriated for renaissance  
20 zone tax reimbursements is \$5,100,000.00, ~~\$1,600,000.00~~  
21 ~~appropriated from the state school aid fund, and \$3,500,000.00~~  
22 appropriated from general fund/general purpose money.

23 Sec. 201a. It is the intent of the legislature to provide  
24 appropriations for the fiscal year ending on September 30, ~~2017~~  
25 **2018** for the items listed in section 201. The fiscal year ~~2016-2017~~  
26 **2017-2018** appropriations are anticipated to be the same as those  
27 for fiscal year ~~2015-2016,~~ **2016-2017**, except that the amounts will

1 be adjusted for changes in retirement costs, caseload and related  
 2 costs, federal fund match rates, economic factors, and available  
 3 revenue. These adjustments will be determined after the January  
 4 ~~2016-2017~~ consensus revenue estimating conference.

5 Sec. 202a. As used in this article:

6 (A) **"CENTER" MEANS THE CENTER FOR EDUCATIONAL PERFORMANCE AND**  
 7 **INFORMATION CREATED IN SECTION 94A.**

8 (B) ~~(a)~~-"Michigan renaissance zone act" means the Michigan  
 9 renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696.

10 (C) ~~(b)~~-"Participating college" means a community college that  
 11 is a reporting unit of the retirement system and that reports  
 12 employees to the retirement system for the state fiscal year.

13 (D) ~~(c)~~-"Retirement board" means the board that administers  
 14 the retirement system under the public school employees retirement  
 15 act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

16 (E) ~~(d)~~-"Retirement system" means the Michigan public school  
 17 employees' retirement system under the public school employees  
 18 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

19 (F) ~~(e)~~-"Workforce development agency" means the workforce  
 20 development agency ~~of the Michigan strategic fund.~~**WITHIN THE**  
 21 **DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT--TALENT INVESTMENT**  
 22 **AGENCY.**

23 Sec. 203. Unless otherwise specified, a community college that  
 24 receives appropriations in section 201, ~~and~~ the workforce  
 25 development agency, **AND THE CENTER** shall use the ~~internet~~**INTERNET**  
 26 to fulfill the reporting requirements of this article. This  
 27 requirement may include transmission of reports via electronic mail



1 to the recipients identified for each reporting requirement or it  
2 may include placement of reports on an ~~internet~~**INTERNET** or  
3 intranet site.

4       Sec. 206. The funds appropriated in section 201 are  
5 appropriated for community colleges with fiscal years ending June  
6 30, ~~2016-2017~~ and shall be paid out of the state treasury and  
7 distributed by the state treasurer to the respective community  
8 colleges in 11 monthly installments on the sixteenth of each month,  
9 or the next succeeding business day, beginning with October 16,  
10 ~~2015-2016~~. Each community college shall accrue its July and August  
11 ~~2016-2017~~ payments to its institutional fiscal year ending June 30,  
12 ~~2016-2017~~. However, if the state budget director determines that a  
13 community college failed to submit all verified Michigan community  
14 colleges activities classification structure data for school year  
15 ~~2014-2015-2015-2016~~ to the ~~workforce development agency~~**CENTER** by  
16 November 1, ~~2015-2016~~, or failed to submit its longitudinal data  
17 system data set for school year ~~2014-2015-2015-2016~~ to the center  
18 ~~for educational performance and information~~ under section 219, the  
19 state treasurer shall withhold the monthly installments from that  
20 community college until those data are submitted. The state budget  
21 director shall notify the chairs of the house and senate  
22 appropriations subcommittees on community colleges at least 10 days  
23 before withholding funds from any community college.

24       Sec. 207. (1) A community college shall pay the employer's  
25 contributions to the Michigan public school employees' retirement  
26 system created by the public school employees retirement act of  
27 1979, 1980 PA 300, MCL 38.1301 to ~~38.1408-38.1437~~. This payment is

1 a condition of receiving funds appropriated under this article.

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

5 Sec. 207a. All of the following apply to the allocation of the  
6 fiscal year ~~2015-2016~~**2016-2017** appropriations described in section  
7 201(4):

8 (a) A community college that receives money under section  
9 201(4) shall use that money solely for the purpose of offsetting a  
10 portion of the retirement contributions owed by the college for  
11 that fiscal year.

12 (b) The amount allocated to each participating community  
13 college under section 201(4) shall be based on each college's  
14 percentage of the total covered payroll for all community colleges  
15 that are participating colleges in the immediately preceding fiscal  
16 year.

17 Sec. 207b. All of the following apply to the allocation of the  
18 fiscal year ~~2015-2016~~**2016-2017** appropriations described in section  
19 201(5) for payments to community colleges that are participating  
20 entities of the retirement system:

21 (a) The amount of a payment under section 201(5) shall be the  
22 difference between the unfunded actuarial accrued liability  
23 contribution rate as calculated under section 41 of the public  
24 school employees retirement act of 1979, 1980 PA 300, MCL 38.1341,  
25 and the maximum employer rate of 20.96% under section 41 of the  
26 public school employees retirement act of 1979, 1980 PA 300, MCL  
27 38.1341.

1 (b) The amount allocated to each community college under  
2 section 201(5) shall be based on each community college's  
3 percentage of the total covered payroll for all community colleges  
4 that are participating colleges in the immediately preceding fiscal  
5 year. A community college that receives funds under this  
6 subdivision shall use the funds solely for the purpose of  
7 retirement contributions under section 201(5).

8 (c) Each participating college that receives funds under  
9 section 201(5) shall forward an amount equal to the amount  
10 allocated under subdivision (b) to the retirement system in a form  
11 and manner determined by the retirement system.

12 Sec. 207c. All of the following apply to the allocation of the  
13 appropriations described in section 201(6) to community colleges  
14 described in section 12(3) of the Michigan renaissance zone act,  
15 1996 PA 376, MCL 125.2692:

16 (a) The amount allocated to each community college under  
17 section 201(6) for fiscal year ~~2015-2016~~**2016-2017** shall be based  
18 on that community college's proportion of total revenue lost by  
19 community colleges as a result of the exemption of property taxes  
20 levied in ~~2015-2016~~ under the Michigan renaissance zone act, 1996  
21 PA 376, MCL 125.2681 to 125.2696.

22 (b) The appropriations described in section 201(6) shall be  
23 made to each eligible community college within 60 days after the  
24 department of treasury certifies to the state budget director that  
25 it has received all necessary information to properly determine the  
26 amounts payable to each eligible community college under section 12  
27 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692.

1           Sec. 209. (1) Within 30 days after the board of a community  
2 college adopts its annual operating budget for the following fiscal  
3 year, or after the board adopts a subsequent revision to that  
4 budget, the community college shall make all of the following  
5 available through a link on its website homepage:

6           (a) The annual operating budget and subsequent budget  
7 revisions.

8           (b) A link to the most recent "Activities Classification  
9 Structure Data Book and Companion".

10           (c) General fund revenue and expenditure projections for  
11 fiscal year ~~2015-2016-2016-2017~~ and fiscal year ~~2016-2017-2017-~~  
12 **2018.**

13           (d) A listing of all debt service obligations, detailed by  
14 project, anticipated fiscal year ~~2015-2016-2016-2017~~ payment of  
15 each project, and total outstanding debt.

16           (e) The estimated cost to the community college resulting from  
17 the patient protection and affordable care act, Public Law 111-148,  
18 as amended by the health care and education reconciliation act of  
19 2010, Public Law 111-152.

20           (f) Links to all of the following for the community college:

21           (i) The current collective bargaining agreement for each  
22 bargaining unit.

23           (ii) Each health care benefits plan, including, but not  
24 limited to, medical, dental, vision, disability, long-term care, or  
25 any other type of benefits that would constitute health care  
26 services, offered to any bargaining unit or employee of the  
27 community college.

1           (iii) Audits and financial reports for the most recent fiscal  
2 year for which they are available.

3           (iv) A copy of the board of trustees resolution regarding  
4 compliance with best practices for the local strategic value  
5 component described in section 230(2).

6           (2) For statewide consistency and public visibility, community  
7 colleges must use the icon badge provided by the department of  
8 technology, management, and budget consistent with the icon badge  
9 developed by the department of education for K-12 school districts.  
10 It must appear on the front of each community college's homepage.  
11 The size of the icon may be reduced to 150 x 150 pixels.

12           (3) The state budget director shall determine whether a  
13 community college has complied with this section. The state budget  
14 director may withhold a community college's monthly installments  
15 described in section 206 until the community college complies with  
16 this section. The state budget director shall notify the chairs of  
17 the house and senate appropriations subcommittee on community  
18 colleges at least 10 days before withholding funds from any  
19 community college.

20           (4) Each community college shall report the following  
21 information to the senate and house appropriations subcommittees on  
22 community colleges, the senate and house fiscal agencies, and the  
23 state budget office by November 15 of each fiscal year and post  
24 that information on its website as required under subsection (1):

25           (a) Budgeted fiscal year ~~2015-2016~~**2016-2017** general fund  
26 revenue from tuition and fees.

27           (b) Budgeted fiscal year ~~2015-2016~~**2016-2017** general fund

1 revenue from state appropriations.

2 (c) Budgeted fiscal year ~~2015-2016~~-2016-2017 general fund  
3 revenue from property taxes.

4 (d) Budgeted fiscal year ~~2015-2016~~-2016-2017 total general  
5 fund revenue.

6 (e) Budgeted fiscal year ~~2015-2016~~-2016-2017 total general  
7 fund expenditures.

8 (5) By November 15 of each year, a community college shall  
9 report the following information to the center ~~for educational~~  
10 ~~performance and information~~ and post the information on its website  
11 under the budget transparency icon badge:

12 (a) Opportunities for earning college credit through the  
13 following programs:

14 (i) State approved career and technical education or a tech  
15 prep articulated program of study.

16 (ii) Direct college credit or concurrent enrollment.

17 (iii) Dual enrollment.

18 (iv) An early college/middle college program.

19 (b) For each program described in subdivision (a) that the  
20 community college offers, all of the following information:

21 (i) The number of high school students participating in the  
22 program.

23 (ii) The number of school districts that participate in the  
24 program with the community college.

25 (iii) Whether a college professor, qualified local school  
26 district employee, or other individual teaches the course or  
27 courses in the program.

1 (iv) The total cost to the community college to operate the  
2 program.

3 (v) The cost per credit hour for the course or courses in the  
4 program.

5 (vi) The location where the course or courses in the program  
6 are held.

7 (vii) Instructional resources offered to the program  
8 instructors.

9 (viii) Resources offered to the student in the program.

10 (ix) Transportation services provided to students in the  
11 program.

12 Sec. 210b. ~~(1) It is the intent of the legislature that the~~  
13 ~~Michigan Association of Collegiate Registrars and Admissions~~  
14 ~~Officers implement any agreement or agreements among the community~~  
15 ~~colleges and universities concerning the transferability of college~~  
16 ~~courses resulting from the recommendations of the committee created~~  
17 ~~under former section 210a.~~

18 ~~— (2) It is the intent of the legislature that the Michigan~~  
19 ~~Association of Collegiate Registrars and Admissions Officers, the~~  
20 ~~Michigan Community College Association, and the Presidents Council,~~  
21 ~~State Universities of Michigan shall together submit an~~  
22 ~~implementation update report to the senate and house appropriations~~  
23 ~~subcommittees on community colleges and higher education, the~~  
24 ~~senate and house fiscal agencies, and the state budget director by~~  
25 ~~March 1, 2016.~~ **BY MARCH 1, 2017, THE MICHIGAN COMMUNITY COLLEGE**  
26 **ASSOCIATION AND THE MICHIGAN ASSOCIATION OF STATE UNIVERSITIES**  
27 **SHALL SUBMIT A REPORT TO THE SENATE AND HOUSE APPROPRIATIONS**

1 SUBCOMMITTEES ON COMMUNITY COLLEGES, THE SENATE AND HOUSE FISCAL  
2 AGENCIES, AND THE STATE BUDGET DIRECTOR THAT INCLUDES ALL OF THE  
3 FOLLOWING:

4 (A) A PROGRESS REPORT ON THE IMPLEMENTATION OF THE MICHIGAN  
5 TRANSFER AGREEMENT DEVELOPED BY THE STUDY COMMITTEE CREATED UNDER  
6 FORMER SECTION 210A, INCLUDING AN UPDATE ON PROGRESS MADE ON  
7 OUTSTANDING CONCERNS IDENTIFIED IN THE MARCH 1, 2016 IMPLEMENTATION  
8 UPDATE.

9 (B) A REPORT ON IMPROVEMENTS TO ARTICULATION AND CREDIT  
10 TRANSFER POLICIES AMONG AND BETWEEN ALL SECTORS OF POSTSECONDARY  
11 EDUCATION IN THIS STATE. THE REPORT SHALL IDENTIFY AREAS OF  
12 PROGRESS SINCE THE MARCH 1, 2016 REPORT REQUIRED BY FORMER SECTION  
13 210C, INCLUDING ALL OF THE FOLLOWING:

14 (i) IDENTIFYING EFFECTIVE POLICIES AND PRACTICES DEVELOPED BY  
15 OTHER STATES.

16 (ii) DEVELOPING SPECIFIC PATHWAYS, WHERE ADVISABLE, THAT MEET  
17 PROGRAM REQUIREMENTS FOR BOTH ASSOCIATE'S AND BACHELOR'S DEGREE  
18 PROGRAMS.

19 (iii) CREATING AN ENHANCED ONLINE COMMUNICATION TOOL TO SHARE  
20 INFORMATION ABOUT POSTSECONDARY OPTIONS IN MICHIGAN, PARTICULARLY  
21 CLEARLY ARTICULATING TRANSFER PATHWAYS.

22 (iv) ESTABLISHING CLEAR TIMELINES FOR FINALIZING TRANSFER  
23 PATHWAYS.

24 SEC. 210E. BY FEBRUARY 1, 2017, THE MICHIGAN COMMUNITY COLLEGE  
25 ASSOCIATION, THE MICHIGAN ASSOCIATION OF STATE UNIVERSITIES, AND  
26 THE MICHIGAN INDEPENDENT COLLEGES AND UNIVERSITIES, ON BEHALF OF  
27 THEIR MEMBER COLLEGES AND UNIVERSITIES, SHALL SUBMIT TO THE SENATE



1 AND HOUSE APPROPRIATIONS SUBCOMMITTEES ON HIGHER EDUCATION, THE  
2 SENATE AND HOUSE APPROPRIATIONS SUBCOMMITTEES ON COMMUNITY  
3 COLLEGES, THE SENATE AND HOUSE FISCAL AGENCIES, AND THE STATE  
4 BUDGET DIRECTOR A COMPREHENSIVE REPORT DETAILING THE NUMBER OF  
5 ACADEMIC PROGRAM PARTNERSHIPS BETWEEN PUBLIC COMMUNITY COLLEGES,  
6 PUBLIC UNIVERSITIES, AND PRIVATE COLLEGES AND UNIVERSITIES,  
7 INCLUDING, BUT NOT LIMITED TO, THE FOLLOWING INFORMATION:

8 (A) THE NAMES OF THE BACCALAUREATE DEGREE PROGRAMS OF STUDY  
9 OFFERED BY PUBLIC AND PRIVATE UNIVERSITIES ON COMMUNITY COLLEGE  
10 CAMPUSES.

11 (B) THE NAMES OF THE ARTICULATION AGREEMENTS FOR BACCALAUREATE  
12 DEGREE PROGRAMS OF STUDY BETWEEN PUBLIC COMMUNITY COLLEGES, PUBLIC  
13 UNIVERSITIES, AND PRIVATE COLLEGES AND UNIVERSITIES.

14 (C) THE NUMBER OF STUDENTS ENROLLED AND NUMBER OF DEGREES  
15 AWARDED THROUGH ARTICULATION AGREEMENTS, AND THE NUMBER OF COURSES  
16 OFFERED, NUMBER OF STUDENTS ENROLLED, AND NUMBER OF DEGREES AWARDED  
17 THROUGH ON-CAMPUS PROGRAMS NAMED IN SUBDIVISION (A) FROM JULY 1,  
18 2015 THROUGH JUNE 30, 2016.

19 Sec. 212. ~~It is the intent of the legislature to encourage~~  
20 ~~community~~ **COMMUNITY** college districts **ARE ENCOURAGED** to evaluate  
21 and pursue efficiency and cost-containment measures that maximize  
22 state funding. Community colleges shall identify practices that  
23 increase efficiencies, including, but not limited to, establishing  
24 joint ventures, consolidating services, utilizing program  
25 collaborations, maximizing educational benefits through optimal  
26 class sizes and frequency of course offerings, increasing web-based  
27 instruction, eliminating low-enrollment and high-cost instructional

1 programs, using self-insurance, practicing energy conservation, and  
2 utilizing group purchasing. Community colleges shall also review  
3 proposed capital outlay projects to increase coordination and  
4 utilization of new facilities, renovation projects, and technology  
5 improvements.

6 Sec. 217. (1) The ~~workforce development agency~~ **CENTER** shall do  
7 all of the following:

8 (a) Establish, maintain, and coordinate the state community  
9 college database commonly known as the "activities classification  
10 structure" or "ACS" database.

11 (b) Collect data concerning community colleges and community  
12 college programs in this state, including data required by law.

13 (c) Establish procedures to ensure the validity and  
14 reliability of the data and the collection process.

15 (d) Develop model data collection policies, including, but not  
16 limited to, policies that ensure the privacy of any individual  
17 student data. Privacy policies shall ensure that student social  
18 security numbers are not released to the public for any purpose.

19 (e) Provide data in a useful manner to allow state  
20 policymakers and community college officials to make informed  
21 policy decisions.

22 (f) Assist community colleges in complying with audits under  
23 this section or federal law.

24 (2) There is created within the ~~workforce development agency~~  
25 **CENTER** the activities classification structure advisory committee.  
26 The committee shall provide advice to the director of the ~~workforce~~  
27 ~~development agency~~ **CENTER** regarding the management of the state

1 community college database, including, but not limited to:

2 (a) Determining what data are necessary to collect and  
3 maintain to enable state and community college officials to make  
4 informed policy decisions.

5 (b) Defining the roles of all stakeholders in the data  
6 collection system.

7 (c) Recommending timelines for the implementation and ongoing  
8 collection of data.

9 (d) Establishing and maintaining data definitions, data  
10 transmission protocols, and system specifications and procedures  
11 for the efficient and accurate transmission and collection of data.

12 (e) Establishing and maintaining a process for ensuring the  
13 accuracy of the data.

14 (f) Establishing and maintaining policies related to data  
15 collection, including, but not limited to, privacy policies related  
16 to individual student data.

17 (g) Ensuring that the data are made available to state  
18 policymakers and citizens of this state in the most useful format  
19 possible.

20 (h) Addressing other matters as determined by the director of  
21 ~~the workforce development agency~~ **CENTER** or as required by law.

22 (3) The activities classification structure advisory committee  
23 created in subsection (2) shall consist of the following members:

24 (a) One representative from the house fiscal agency, appointed  
25 by the director of the house fiscal agency.

26 (b) One representative from the senate fiscal agency,  
27 appointed by the director of the senate fiscal agency.

1 (c) One representative from the workforce development agency,  
2 appointed by the director of the workforce development agency.

3 (D) **ONE REPRESENTATIVE FROM THE CENTER APPOINTED BY THE**  
4 **DIRECTOR OF THE CENTER.**

5 (E) ~~(d)~~—One representative from the state budget office,  
6 appointed by the state budget director.

7 (F) ~~(e)~~—One representative from the governor's policy office,  
8 appointed by that office.

9 (G) ~~(f)~~—Four representatives of the Michigan Community College  
10 Association, appointed by the president of the association. From  
11 the groupings of community colleges given in table 17 of the  
12 activities classification structure database described in  
13 subsection (1), the association shall appoint 1 representative each  
14 from group 1, group 2, and group 3, and 1 representative from  
15 either group 3 or 4.

16 Sec. 219. By ~~June 30~~ **OCTOBER 15** of each year, each community  
17 college shall provide its longitudinal data system data set for the  
18 preceding academic year to the center ~~for educational performance~~  
19 ~~and information~~ for inclusion in the statewide P-20 education  
20 longitudinal data system described in section 94a.

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

25 (2) Within 60 days after an audit report is released by the  
26 office of the auditor general, the principal executive officer of  
27 the community college that was audited shall submit to the house

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

10       Sec. 222. Each community college shall have an annual audit of  
11 all income and expenditures performed by an independent auditor and  
12 shall furnish the independent auditor's management letter and an  
13 annual audited accounting of all general and current funds income  
14 and expenditures including audits of college foundations to the  
15 members of the senate and house appropriations subcommittees on  
16 community colleges, the senate and house fiscal agencies, the  
17 auditor general, the workforce development agency, **THE CENTER**, and  
18 the state budget director before November 15 of each year. If a  
19 community college fails to furnish the audit materials, the monthly  
20 state aid installments shall be withheld from that college until  
21 the information is submitted. All reporting shall conform to the  
22 requirements set forth in the "2001 Manual for Uniform Financial  
23 Reporting, Michigan Public Community Colleges". A community college  
24 shall make the information the community college is required to  
25 provide under this section available to the public on its website.

26       Sec. 224. A community college shall use the P-20 longitudinal  
27 data system to inform interested Michigan high schools and the

1 public of the aggregate academic status of its students for the  
2 previous academic year, in a manner prescribed by the Michigan  
3 ~~community college association~~ **COMMUNITY COLLEGE ASSOCIATION** and in  
4 cooperation with the Michigan ~~association of secondary school~~  
5 ~~principals~~ **ASSOCIATION OF SECONDARY SCHOOL PRINCIPALS**. Community  
6 colleges shall cooperate with the center ~~for educational~~  
7 ~~performance and information~~ to maintain a systematic approach for  
8 accomplishing this work.

9       Sec. 225. Each community college shall report to the house and  
10 senate fiscal agencies, the state budget director, and the  
11 ~~workforce development agency~~ **CENTER** by August 31, ~~2015,~~ **2016**, the  
12 tuition and mandatory fees paid by a full-time in-district student  
13 and a full-time out-of-district student as established by the  
14 college governing board for the ~~2015-2016~~ **2016-2017** academic year.  
15 This report should also include the annual cost of attendance based  
16 on a full-time course load of 30 credits. Each community college  
17 shall also report any revisions to the reported ~~2015-2016~~ **2016-2017**  
18 academic year tuition and mandatory fees adopted by the college  
19 governing board to the house and senate fiscal agencies, the state  
20 budget director, and the ~~workforce development agency~~ **CENTER** within  
21 15 days of being adopted.

22       Sec. 226. Each community college shall report to the ~~workforce~~  
23 ~~development agency~~ **CENTER** the numbers and type of associate degrees  
24 and other certificates awarded during the previous fiscal year. The  
25 report shall be made not later than November 15 of each year.  
26 Community colleges shall work with the ~~workforce development agency~~  
27 ~~and the center for educational performance and information~~ to

1 develop a systematic approach for meeting this requirement.

2       Sec. 229a. Included in the fiscal year ~~2015-2016~~**2016-2017**  
3 appropriations for the department of technology, management, and  
4 budget are appropriations totaling ~~\$29,479,600.00~~**\$30,879,600.00** to  
5 provide funding for the state share of costs for previously  
6 constructed capital projects for community colleges. Those  
7 appropriations for state building authority rent represent  
8 additional state general fund support for community colleges, and  
9 the following is an estimate of the amount of that support to each  
10 community college:

- 11       (a) Alpena Community College, ~~\$652,700.00~~**\$632,500.00**.  
12       (b) Bay de Noc Community College, ~~\$685,900.00~~**\$685,100.00**.  
13       (c) Delta College, ~~\$3,510,900.00~~**\$3,360,600.00**.  
14       (d) Glen Oaks Community College, ~~\$123,100.00~~**\$124,500.00**.  
15       (e) Gogebic Community College, ~~\$67,600.00~~**\$56,700.00**.  
16       (f) Grand Rapids Community College,  
17 ~~\$2,126,000.00~~**\$2,083,500.00**.  
18       (g) Henry Ford College, ~~\$1,028,500.00~~**\$1,040,300.00**.  
19       (h) Jackson College, ~~\$1,677,800.00~~**\$2,273,800.00**.  
20       (i) Kalamazoo Valley Community College,  
21 ~~\$1,557,700.00~~**\$2,030,900.00**.  
22       (j) Kellogg Community College, ~~\$520,200.00~~**\$526,200.00**.  
23       (k) Kirtland Community College, ~~\$363,200.00~~**\$367,300.00**.  
24       (l) Lake Michigan College, ~~\$340,200.00~~**\$344,100.00**.  
25       (m) Lansing Community College, ~~\$1,282,200.00~~**\$1,154,600.00**.  
26       (n) Macomb Community College, ~~\$1,377,400.00~~**\$1,715,700.00**.  
27       (o) Mid Michigan Community College,

1 ~~\$1,712,600.00~~-\$1,634,300.00.

2 (p) Monroe County Community College,

3 ~~\$1,263,600.00~~-\$1,278,100.00.

4 (q) Montcalm Community College, ~~\$971,500.00~~-\$982,600.00.

5 (r) C.S. Mott Community College, ~~\$1,803,900.00~~-\$1,497,600.00.

6 (s) Muskegon Community College, ~~\$267,800.00~~-\$623,500.00.

7 (t) North Central Michigan College, ~~\$469,400.00~~-\$417,900.00.

8 (u) Northwestern Michigan College,

9 ~~\$1,305,600.00~~-\$1,320,600.00.

10 (v) Oakland Community College, ~~\$465,200.00~~-\$470,500.00.

11 ~~-----~~ (w) ~~St. Clair County Community College, \$356,200.00.~~

12 (W) ~~(x)~~-Schoolcraft College, ~~\$1,546,700.00~~-\$1,564,400.00.

13 (X) ~~(y)~~-Southwestern Michigan College,

14 ~~\$286,900.00~~-\$574,800.00.

15 (Y) ST. CLAIR COUNTY COMMUNITY COLLEGE, \$360,200.00.

16 (z) Washtenaw Community College, ~~\$1,676,800.00~~-\$1,696,000.00.

17 (aa) Wayne County Community College,

18 ~~\$1,462,700.00~~-\$1,479,400.00.

19 (bb) West Shore Community College, ~~\$577,300.00~~-\$583,900.00.

20 Sec. 230. (1) Money included in the appropriations for  
 21 community college operations under section 201(2) in fiscal year  
 22 ~~2015-2016-2016-2017~~ for performance funding is distributed based on  
 23 the following formula:

24 (a) Allocated proportionate to fiscal year ~~2014-2015-2015-2016~~  
 25 base appropriations, ~~50%-30%~~.

26 (b) Based on ~~contact hour equated students, 10%~~. **A WEIGHTED**  
 27 **STUDENT CONTACT HOUR FORMULA AS PROVIDED FOR IN THE 2016**



1 RECOMMENDATIONS OF THE PERFORMANCE INDICATORS REVIEW TASK FORCE,  
2 30%.

3 (c) Based on ~~administrative costs, 7.5%.~~ **PERFORMANCE, AS**  
4 **MEASURED BY COMPLETION IMPROVEMENT, NUMBER OF COMPLETIONS, AND**  
5 **COMPLETION RATE AS PROVIDED FOR IN THE 2016 RECOMMENDATIONS OF THE**  
6 **PERFORMANCE INDICATORS REVIEW TASK FORCE, 30%.**

7 (d) Based on ~~a weighted degree formula as provided for in the~~  
8 ~~2006 recommendations of the performance indicators task force,~~  
9 ~~17.5%.~~ **ADMINISTRATIVE COSTS, 5%.**

10 (e) Based on the local strategic value component, as developed  
11 in cooperation with the Michigan Community College Association and  
12 described in subsection (2), ~~15%.~~ **5%.**

13 (2) Money included in the appropriations for community college  
14 operations under section 201(2) for local strategic value shall be  
15 allocated to each community college that certifies to the state  
16 budget director, through a board of trustees resolution on or  
17 before October 15, ~~2015,~~ **2016**, that the college has met 4 out of 5  
18 best practices listed in each category described in subsection (3).  
19 The resolution shall provide specifics as to how the community  
20 college meets each best practice measure within each category. One-  
21 third of funding available under the strategic value component  
22 shall be allocated to each category described in subsection (3).  
23 Amounts distributed under local strategic value shall be on a  
24 proportionate basis to each college's fiscal year ~~2014-2015-2015-~~  
25 **2016** operations funding. Payments to community colleges that  
26 qualify for local strategic value funding shall be distributed with  
27 the November installment payment described in section 206.

1           (3) For purposes of subsection (2), the following categories  
2 of best practices reflect functional activities of community  
3 colleges that have strategic value to the local communities and  
4 regional economies:

5           (a) For Category A, economic development and business or  
6 industry partnerships, the following:

7           (i) The community college has active partnerships with local  
8 employers including hospitals and health care providers.

9           (ii) The community college provides customized on-site  
10 training for area companies, employees, or both.

11           (iii) The community college supports entrepreneurship through  
12 a small business assistance center or other training or consulting  
13 activities targeted toward small businesses.

14           (iv) The community college supports technological advancement  
15 through industry partnerships, incubation activities, or operation  
16 of a Michigan technical education center or other advanced  
17 technology center.

18           (v) The community college has active partnerships with local  
19 or regional workforce and economic development agencies.

20           (b) For Category B, educational partnerships, the following:

21           (i) The community college has active partnerships with  
22 regional high schools, intermediate school districts, and career-  
23 tech centers to provide instruction through dual enrollment,  
24 concurrent enrollment, direct credit, middle college, or academy  
25 programs.

26           (ii) The community college hosts, sponsors, or participates in  
27 enrichment programs for area K-12 students, such as college days,

1 summer or after-school programming, or science Olympiad.

2 (iii) The community college provides, supports, or  
3 participates in programming to promote successful transitions to  
4 college for traditional age students, including grant programs such  
5 as talent search, upward bound, or other activities to promote  
6 college readiness in area high schools and community centers.

7 (iv) The community college provides, supports, or participates  
8 in programming to promote successful transitions to college for new  
9 or reentering adult students, such as adult basic education,  
10 ~~general education development~~ **HIGH SCHOOL EQUIVALENCY** certificate  
11 preparation and testing, or recruiting, advising, or orientation  
12 activities specific to adults.

13 (v) The community college has active partnerships with  
14 regional 4-year colleges and universities to promote successful  
15 transfer, such as articulation, 2+2, or reverse transfer agreements  
16 or operation of a university center.

17 (c) For Category C, community services, the following:

18 (i) The community college provides continuing education  
19 programming for leisure, wellness, personal enrichment, or  
20 professional development.

21 (ii) The community college operates or sponsors opportunities  
22 for community members to engage in activities that promote leisure,  
23 wellness, cultural or personal enrichment such as community sports  
24 teams, theater or musical ensembles, or artist guilds.

25 (iii) The community college operates public facilities to  
26 promote cultural, educational, or personal enrichment for community  
27 members, such as libraries, computer labs, performing arts centers,

1 museums, art galleries, or television or radio stations.

2 (iv) The community college operates public facilities to  
3 promote leisure or wellness activities for community members,  
4 including gymnasiums, athletic fields, tennis courts, fitness  
5 centers, hiking or biking trails, or natural areas.

6 (v) The community college promotes, sponsors, or hosts  
7 community service activities for students, staff, or community  
8 members.

9 (4) Payments for performance funding under section 201(2)  
10 shall be made to a community college only if that community college  
11 actively participates in the Michigan transfer network sponsored by  
12 the Michigan Association of Collegiate Registrars and Admissions  
13 Officers and submits timely updates, including updated course  
14 equivalencies at least every 6 months, to the Michigan transfer  
15 network. The state budget director shall determine if a community  
16 college has not satisfied this requirement. The state budget  
17 director may withhold payments for performance funding until a  
18 community college is in compliance with this section.

19 Enacting section 1. In accordance with section 30 of article  
20 IX of the state constitution of 1963, total state spending from  
21 state sources for community colleges for fiscal year 2016-2017  
22 under article II is estimated at \$399,025,600.00 and the amount of  
23 that state spending from state sources to be paid to local units of  
24 government for fiscal year 2016-2017 is estimated at  
25 \$399,025,600.00.

26 Enacting section 2. Sections 210c and 230a of the state school  
27 aid act of 1979, 1979 PA 94, MCL 388.1810c and 388.1830a, are

1 repealed effective October 1, 2016.

2 Enacting section 3. This amendatory act takes effect October  
3 1, 2016.