

**Summary: Executive Budget Recommendation
for Fiscal Year 2022-23
DEPARTMENT OF EDUCATION**



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	FY 2021-22 Year-to-Date as of 2/9/22	FY 2022-23 Executive	Difference: FY 2022-23 vs. FY 2021-22	
			Amount	%
IDG/IDT	\$0	\$0	\$0	--
Federal	1,807,625,600	302,950,800	(1,504,674,800)	(83.2)
Local	5,870,300	5,878,600	8,300	0.1
Private	2,238,500	2,240,400	1,900	0.1
Restricted	9,785,400	9,919,700	134,300	1.4
GF/GP	102,508,100	98,541,500	(3,966,600)	(3.9)
Gross	\$1,928,027,900	\$419,531,000	(\$1,508,496,900)	(78.2)
FTEs	622.5	632.5	10.0	1.6

Notes: (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The State Board of Education is an eight-member elected board constitutionally mandated to provide leadership and supervision for public education in Michigan. The Michigan Department of Education (MDE) is the administrative arm of the Board charged with implementing state and federal educational mandates and administering programs. Major responsibilities of the MDE include developing and overseeing the K-12 school system, certifying teachers, disbursing funds to educational organizations and libraries, providing technical assistance to school districts and libraries, and providing early education and child day care support for low-income and other qualifying families.

Major Budget Changes from FY 2021-22 Year-to-Date (YTD) Appropriations		FY 2021-22 YTD (as of 2/9/22)	Executive Change from YTD
1. One-Time Childcare Funding Removal	Gross	\$1,495,863,500	(\$1,495,863,500)
Reflects the one-time nature of \$1.5 billion federal in child care funding included in the FY 2021-22 budget.	Federal	1,495,863,500	(1,495,863,500)
	GF/GP	\$0	\$0
2. Removal – Teacher Talent Pipeline	Gross	\$10,000,000	(\$10,000,000)
Removes \$10.0 million federal COVID-19 Governor's Emergency Education Relief (GEER) II funds for a grant to an education-related nonprofit organization that supports a teacher talent pipeline through teacher recruitment, training, development and retention. This item was funded as one-time in FY 2021-22.	Federal	10,000,000	(10,000,000)
	GF/GP	\$0	\$0
3. Removal – PRIME Schools	FTE	1.0	(1.0)
Removes \$6.0 million GF/GP and authorization for 1.0 FTE position for the SME Education Foundation's Partnership Response in Manufacturing Education (PRIME) initiative. Of the \$6.0 million, at least \$5.8 million was allocated for PRIME and up to \$200,000 and 1.0 FTE for the Department of Education to administer the initiative. This item was funded as one-time in FY 2021-22.	Gross	\$6,000,000	(\$6,000,000)
	GF/GP	\$6,000,000	(\$6,000,000)
4. Michigan School for the Deaf	Gross	\$13,627,000	\$3,000,000
Provides \$3.0 million GF/GP to expand coordination, staff support, and training for the Michigan School for the Deaf.	Federal	7,550,600	0
	Local	5,870,300	0
	Restricted	206,100	0
	GF/GP	\$0	\$3,000,000

Major Budget Changes from FY 2021-22 Year-to-Date (YTD) Appropriations		FY 2021-22 YTD (as of 2/9/22)	Executive Change from YTD
5. Before and After School Programs	Gross	\$3,910,000	(\$2,810,000)
Provides \$1.1 million GF/GP for administration of, and supports for, before and after school programs. The majority of funding for before and after school programs is shifted to the School Aid budget for FY 2022-23.	GF/GP	\$3,910,000	(\$2,810,000)
6. Educator Recruitment, Attraction and Administration	FTE	48.0	4.0
Provides \$800,000 GF/GP and authorizes 4.0 FTE positions to fund staff to oversee the administration of educator recruitment and retention programs included in the School Aid budget.	Gross	\$9,458,700	\$800,000
	Federal	3,164,600	0
	Restricted	4,275,500	0
	GF/GP	\$2,018,600	\$800,000
7. Early Childhood Development Administration	FTE	65.0	6.0
Provides \$700,000 GF/GP and authorizes 6.0 FTE positions to support the expansion of the Great Start Readiness Program (GSRP), administration of great start collaboratives and the home visitation program under 32p of the School Aid Act, increased child care staff, and the administration of early childhood programming.	Gross	13,468,700	\$700,000
	Federal	11,308,600	0
	Private	250,000	0
	Restricted	64,600	0
	GF/GP	\$1,845,500	\$700,000
8. Mental Health Administration	FTE	74.6	1.0
Provides \$200,000 and authorizes 1.0 FTE position to hire MDE staff and support and assist schools receiving mental health funding.	Gross	\$13,724,200	\$200,000
	Federal	\$12,621,800	0
	Restricted	71,700	0
	GF/GP	\$1,030,700	\$200,000
9. One-Time Appropriation – School Board Training Reimbursement	Gross	\$260,000	\$0
Retains \$260,000 GF/GP for school board member training reimbursement.	GF/GP	\$260,000	\$0
10. One-Time Appropriation – Michigan’s Poet Laureate	Gross	\$100,000	\$0
Retains \$100,000 GF/GP to support a Michigan Poet Laureate program with funding for travel and events to promote poetry, the spoken word, and the literary arts.	GF/GP	\$100,000	\$0
11. Roll Up – TEACH Scholarship	Gross	\$5,000,000	\$0
Includes a net \$0 change to roll the \$5.0 million federal TEACH Scholarship into the Child Development and Care contracted services line item.	Federal	5,000,000	0
	GF/GP	\$0	\$0
12. Economic Adjustments	Gross	NA	\$2,071,900
Reflects increased costs of \$2.1 million Gross (\$619,200 GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2022 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker’s compensation, building occupancy charges, and other economic adjustments.	Federal	NA	1,308,200
	Local	NA	8,300
	Private	NA	1,900
	Restricted	NA	134,300
	GF/GP	NA	\$619,200

Major Boilerplate Changes from FY 2021-22

Executive Boilerplate Deletions

In general, the Executive Budget deletes a number of boilerplate sections included in the FY 2021-22 budget. The following list includes all sections proposed to be deleted.

- FTE Vacancies and Remote Work Report (Sec. 216)
- State Administrative Board Transfer (Sec. 218)
- Report on Policy Changes Made to Implement Public Acts Affecting Department (Sec. 221)
- Communication with the Legislature (Sec. 222)
- Records Retention (Sec. 223)
- Expending Available Work Project Authorization (Sec. 224)
- Severance Pay Reporting (Sec. 225)
- Vaccine Passport (Sec. 227)
- Federal Accountability Plans (Sec. 229)
- Nonpublic School Mandates (Sec. 230)
- Effectiveness Survey (Sec. 235)
- Rural Transportation Report (Sec. 236)
- CDC T.E.A.C.H. Early Childhood Michigan Scholarship Program (Sec. 1004)
- CDC Funding Changes (Sec. 1010)
- Child Mental Health (Sec. 1012)
- CDC Provider Reimbursement Rate Increase (Sec. 1020)
- Child Care Provider Payment Based on Enrollment Rather than Attendance (Sec. 1021)
- Child Care Stabilization Grants (Sec. 1022)
- Support for New and Expanding Child Care Providers (Sec. 1023)
- Temporary Bonus Payment for Child Care Providers (Sec. 1024)
- Copay Waivers (Sec. 1025)
- Bonus Pay for Child Care Workers (Sec. 1026)
- Contracts for Infant and Toddler Slots (Sec. 1027)
- Department Administrative Funding (Sec. 1028)
- Work Project: ARP – Child Care Stabilization (Sec. 1030)
- Work Project: CRRSA – Child Care Stimulus (Sec. 1031)
- Work Project: ARP – Child Care Stimulus (Sec. 1032)
- Work Project: Child Care Award (Sec. 1033)
- Work Project: ARP – Child Care Entitlement (Sec. 1034)

Sec. 210. Contingency Funds – REVISED

Revises the amount of contingency funds, which must be transferred by the legislature prior to expenditure as follows: revises federal from \$5.0 million to \$10.0 million; revises state restricted from \$400,000 to \$700,000; maintains local at \$250,000; and revises private from \$1.5 million to \$3.0 million..

Sec. 702. Early Literacy Implementation – REVISED

Revises language from "not to exceed" to "not less than" \$1.0 million in reference to funds for the implementation costs associated with early childhood literacy funded under Sec. 35a of the School Aid budget.

Sec. 1001. Before and After School Programs – REVISED

Revises language to appropriate \$500,000 for administrative costs associated with the implementation of before and after school programs as funded under Sec. 32n of the School Aid budget. Previously, the section required MDE to develop a competitive grant program to distribute funding for before and after school programs to eligible entities; defined eligible entities; required department to established amounts for each entity; required funds to be used only for the provision of before and after school programming.

Sec. 1009. CDC Increase to Eligibility Entrance Threshold – REVISED

Revises so that the only requirement under this section is that the CDC eligibility entrance threshold be set to not more than 200% (currently 185%) of the federal poverty guidelines. Removes specifications regarding number of children, waiting lists, and future decreases in the eligibility entrance threshold.

Supplemental Recommendations for FY 2021-22 Appropriations

**FY 2021-22
Recommendation**

1. Camp Tuhsmeheeta

Provides \$1.3 million private for the renovation of Elm Hall into a nature center at Camp Tuhsmeheeta for students who are blind or visually impaired.

Gross	\$1,300,000
Private	1,300,000
GF/GP	\$0