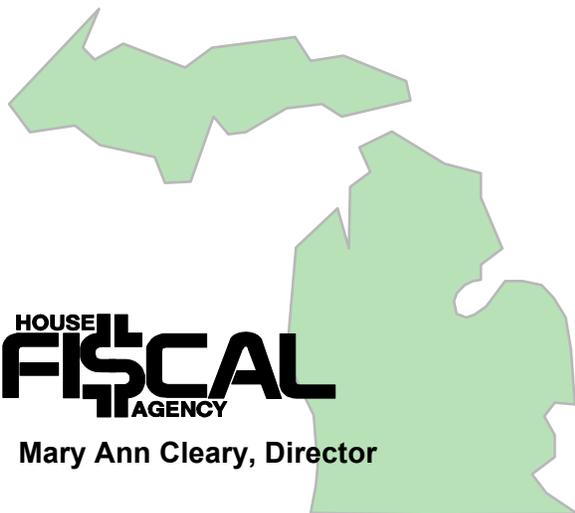


# LINE ITEM AND BOILERPLATE SUMMARY

## HIGHER EDUCATION

Fiscal Year 2016-17  
Article III, Public Act 249 of 2016  
Senate Bill 801 as Enacted



Marilyn Peterson, Senior Fiscal Analyst

September 2016

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September 2016

TO: Members of the Michigan House of Representatives

The House Fiscal Agency has prepared a **Line Item Summary** for each of the FY 2016-17 appropriation acts. Each **Summary** contains line-by-line appropriation and revenue source detail, and a brief explanation of each boilerplate section in the appropriation bill.

In this report, line item vetoes are presented in the following manner: appropriation amounts shown in ~~strikeout~~ are those that appear in the enrolled bill; amounts shown directly below ~~strikeout~~ amounts reflect the effect of the veto.

Line Item Summaries are available on the HFA website ([www.house.mi.gov/hfa](http://www.house.mi.gov/hfa)), or from Kathryn Bateson, Administrative Assistant (373-8080 or [kbateson@house.mi.gov](mailto:kbateson@house.mi.gov)).

A handwritten signature in black ink that reads "Mary Ann Cleary".

Mary Ann Cleary, Director



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# GLOSSARY

## APPROPRIATIONS AND FUND SOURCES

### **Appropriation**

Authority to expend funds. An appropriation is not a mandate to spend. Constitutionally, state funds cannot be expended without an appropriation by the Legislature.

### **Gross Appropriations**

Total spending authority from all revenue sources.

### **Interdepartmental Grant (IDG) Revenue**

Funds received by one state department from another state department—usually for service(s) provided.

### **Adjusted Gross Appropriations**

Gross appropriations excluding IDGs; avoids double counting when adding appropriation amounts across budget areas.

### **Federal Revenue**

Federal grant or match revenue; generally dedicated to specific programs or purposes.

### **Local Revenue**

Revenue received from local units of government for state services.

### **Private Revenue**

Revenue from individuals and private entities, including payments for services, grants, and other contributions.

### **State Restricted Revenue**

State revenue restricted by the State Constitution, state statute, or outside restriction that is available only for specified purposes; includes most fee revenue.

### **General Fund/General Purpose (GF/GP) Revenue**

Unrestricted general fund revenue available to fund basic state programs and other purposes determined by the Legislature.

## MAJOR STATE FUNDS

### **General Fund**

The state's primary operating fund; receives state revenue not dedicated to another state fund.

### **School Aid Fund (SAF)**

A restricted fund that serves as the primary state funding source for K-12 schools and Intermediate School Districts. Constitutionally, SAF revenue may also be used for postsecondary education.

### **Budget Stabilization Fund**

The Countercyclical Economic and Budget Stabilization Fund (also known as the "rainy day fund"); the Management and Budget Act provides guidelines for making deposits into and withdrawals from the fund.

## STATE BUDGET TERMS

### **Fiscal Year**

The state's fiscal year (FY) runs from October to September. FY 2016-17 is October 1, 2016 through September 30, 2017.

### **Line Item**

Specific appropriation amount in a budget bill which establishes spending authorization for a particular program or function.

### **Boilerplate**

Specific language sections in an appropriation bill which direct, limit, or restrict line-item expenditures, express legislative intent, and/or require reports.

### **Lapse**

Appropriated amounts that are unspent or unobligated at the end of a fiscal year. Appropriations are automatically terminated at the end of a fiscal year unless designated as a work project. Lapsed funds are available for expenditure in the subsequent fiscal year.

### **Work Project**

Account authorized through statutory process which allows appropriated spending authorization from one fiscal year to be utilized for expenditures in a succeeding fiscal year or years for a specific project or purpose.



## HIGHER EDUCATION

*The Higher Education budget article contains appropriations to support the operations of the state's 15 public universities, fulfilling the requirement of Section 4, Article VIII of the State Constitution. Additionally, the article contains funding for financial aid to students attending both public and independent postsecondary institutions in the state, as well as several other higher education-related programs.*

*Beginning in FY 2011-12, the Higher Education budget has been incorporated into the compiled School Aid Act as Article III of that act (MCL 388.1836 to 388.1893), rather than being enacted into law as a standard one-year budget act.*

<b>GROSS APPROPRIATION</b>	<b>\$1,582,640,400</b>	<b>Total of all applicable line item appropriations.</b>
Total interdepartmental grant/intradepartmental transfer revenue	0	Revenue received from other departments or transferred within the department.
<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$1,582,640,400</b>	<b>Gross appropriation less (or minus) interdepartmental grant (IDG) and intradepartmental transfer (IDT) revenue.</b>
Total federal revenue	101,526,400	Revenue received from federal departments and agencies.
Total local revenue	0	Revenue received from local units of government.
Total private revenue	0	Revenue received from private individuals and entities.
Total state restricted revenue	237,209,500	State revenue dedicated to a specific fund (other than the General Fund) or restricted for a specific purpose.
<b>STATE GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$1,243,904,500</b>	<b>Unrestricted state revenue from taxes and other sources.</b>

## SECTIONS 236(2) and 236(3): PUBLIC UNIVERSITIES

The Higher Education budget article contains a separate appropriation for each of the state's 15 public universities established under Sections 5 and 6, Article VIII of the State Constitution. Each university's appropriation unit includes a grant to the university for base operations, plus a separate appropriation based on performance funding calculations and subject to compliance with certain requirements established in sections 265 and 265a. Michigan State's appropriation unit also includes appropriations to support the activities of the AgBioResearch and Extension services operated by the university.

Beginning in FY 2011-12, state School Aid Fund (SAF) revenue has been appropriated for public universities and community colleges, replacing a portion of GF/GP support. The total amount appropriated for universities (excluding MSU's AgBioResearch and Extension programs) is \$1.40 billion, of which \$1.36 billion is baseline "Operations" appropriations continued from the prior year, and \$39.8 million is performance funding. The \$1.4 billion total is funded with \$1.2 billion in state GF/GP revenues and \$231.2 million in SAF revenues. Funding sources shown below reflect amounts administratively allocated to each university.

**For all public university operations and/or performance funding line items:**

**Related Boilerplate Section(s): 239, 241, 243, 244, 245, 265, 265a, 271a, 275a, 276, 277, 280, 296**

### (2) UNIVERSITY APPROPRIATIONS

#### (A) CENTRAL MICHIGAN UNIVERSITY

Operations	\$81,127,100	Grant to Central Michigan University (CMU) for operations. CMU was founded in 1892 as the Central Michigan Normal School (teaching college) and Business Institute; the legal authority for the university's status as a state institution of higher education now exists in 1963 PA 48 (2nd Extra Session).
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Line item includes \$29,700 pass-through allocation to Saginaw Chippewa Tribal College for Indian Tuition Waiver costs under section 269.

Funding Source(s):	Restricted	13,787,100
	GF/GP	67,340,000

*Additional Related Boilerplate Section(s): 269*

Performance funding	2,798,400	Additional funds appropriated to CMU, calculated based on performance metrics. Payment of funds is contingent on university's compliance with requirements under sections 265 and 265a related to tuition restraint, reverse transfer agreements, dual enrollment credit policy, and the Michigan Transfer Network.
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Funding Source(s):	GF/GP	2,798,400
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<b>GROSS APPROPRIATION</b>	<b>\$83,925,500</b>	<b>Total of all applicable line item appropriations.</b>
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State school aid fund	13,787,100	A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); constitutionally, funding may also be utilized for higher education.
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<b>STATE GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$70,138,400</b>	<b>Unrestricted state revenue from taxes and other sources.</b>
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**(B) EASTERN MICHIGAN UNIVERSITY**

Operations \$71,782,500 Grant to Eastern Michigan University (EMU) for operations. EMU was founded in 1849 as the Michigan State Normal School (teaching college); the legal authority for the university's status as a state institution of higher education now exists in 1963 PA 48 (2nd Extra Session).

Funding Source(s): Restricted 12,199,100  
GF/GP 59,583,400

Performance funding 1,811,300 Additional funds appropriated to EMU, calculated based on performance metrics. Appropriation reflects deduction of \$400,000 from figure calculated under performance formula. Payment of funds is contingent on university's compliance with requirements under sections 265 and 265a related to tuition restraint, reverse transfer agreements, dual enrollment credit policy, and the Michigan Transfer Network.

Funding Source(s): GF/GP 1,811,300

**GROSS APPROPRIATION \$73,593,800 Total of all applicable line item appropriations.**

State school aid fund 12,199,100 A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); constitutionally, funding may also be utilized for higher education.

**STATE GENERAL FUND/ GENERAL PURPOSE \$61,394,700 Unrestricted state revenue from taxes and other sources.**

**(C) FERRIS STATE UNIVERSITY**

Operations \$50,369,800 Grant to Ferris State University (FSU) for operations. FSU was founded in 1884 as the Big Rapids Industrial School (a private institution) and became a state institution of higher education via 1949 PA 114.

Funding Source(s): Restricted 8,560,100  
GF/GP 41,809,700

Performance funding 1,890,100 Additional funds appropriated to FSU, calculated based on performance metrics. Payment of funds is contingent on university's compliance with requirements under sections 265 and 265a related to tuition restraint, reverse transfer agreements, dual enrollment credit policy, and the Michigan Transfer Network.

Funding Source(s): GF/GP 1,890,100

**GROSS APPROPRIATION \$52,259,900 Total of all applicable line item appropriations.**

State school aid fund 8,560,100 A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); constitutionally, funding may also be utilized for higher education.

**STATE GENERAL FUND/ GENERAL PURPOSE \$43,699,800 Unrestricted state revenue from taxes and other sources.**

**(D) GRAND VALLEY STATE UNIVERSITY**

Operations \$65,275,700 Grant to Grand Valley State University (GVSU) for operations. GVSU (Grand Valley State College at the time) was founded as a state institution of higher education via 1960 PA 120.

Funding Source(s): Restricted 11,093,300  
GF/GP 54,182,400

Performance funding	2,952,200	Additional funds appropriated to GVSU, calculated based on performance metrics. Payment of funds is contingent on university's compliance with requirements under sections 265 and 265a related to tuition restraint, reverse transfer agreements, dual enrollment credit policy, and the Michigan Transfer Network.
		Funding Source(s): GF/GP 2,952,200

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**GROSS APPROPRIATION    \$68,227,900    Total of all applicable line item appropriations.**

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State school aid fund	11,093,300	A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); constitutionally, funding may also be utilized for higher education.
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**STATE GENERAL FUND/  
GENERAL PURPOSE    \$57,134,600    Unrestricted state revenue from taxes and other sources.**

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**(E) LAKE SUPERIOR STATE UNIVERSITY**

Operations	\$13,207,400	Grant to Lake Superior State University (LSSU) for operations. LSSU was founded as a branch of the Michigan College of Mining and Technology (now Michigan Tech University) in 1946 and became an autonomous state institution of higher education via 1969 PA 26.
		Line item includes \$100,000 pass-through allocation to Bay Mills Community College for Indian Tuition Waiver costs under section 270.
		Funding Source(s): Restricted 2,244,500 GF/GP 10,962,900

*Additional Related Boilerplate Section(s): 270*

Performance funding	360,000	Additional funds appropriated to LSSU, calculated based on performance metrics. Payment of funds is contingent on university's compliance with requirements under sections 265 and 265a related to tuition restraint, reverse transfer agreements, dual enrollment credit policy, and the Michigan Transfer Network.
		Funding Source(s): GF/GP 360,000

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**GROSS APPROPRIATION    \$13,567,400    Total of all applicable line item appropriations.**

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State school aid fund	2,244,500	A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); constitutionally, funding may also be utilized for higher education.
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**STATE GENERAL FUND/  
GENERAL PURPOSE    \$11,322,900    Unrestricted state revenue from taxes and other sources.**

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**(F) MICHIGAN STATE UNIVERSITY**

Operations \$268,770,700 Grant to Michigan State University (MSU) for operations. MSU was founded in 1855 as the Agricultural College of the State of Michigan, the nation's pioneer land-grant university; the legal authority for the university's status as a state institution of higher education now exists in 1909 PA 269.

Section 264 allocates \$80,000 from this line item for the Future Farmers of America Association.

Funding Source(s): Restricted 45,676,200  
GF/GP 223,094,500

*Additional Related Boilerplate Section(s): 264*

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Performance funding 7,091,400 Additional funds appropriated to MSU, calculated based on performance metrics. Appropriation reflects addition of \$200,000 to figure calculated under performance funding formula. Payment of funds is contingent on university's compliance with requirements under sections 265 and 265a related to tuition restraint, reverse transfer agreements, dual enrollment credit policy, and the Michigan Transfer Network.

Funding Source(s): GF/GP 7,091,400

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MSU AgBioResearch 33,243,100 Statewide agricultural research program operated by MSU as part of its land-grant mission; there are 13 research facilities across the state plus on-campus facilities in East Lansing. In addition to funds appropriated by the state, funds are received from federal and industry sources.

Line item includes \$3.0 million designated in section 263 for Project GREEN, a research effort on behalf of Michigan's agricultural industry.

Funding Source(s): GF/GP 33,243,100

*Related Boilerplate Section(s): 263, 263a*

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MSU extension 28,672,600 Extends MSU's public service mission to all counties in the state as part of MSU's land-grant mission. Program areas include agriculture and natural resources; children, youth, and family (including 4-H); and community and economic development. In addition to funds appropriated by the state, county governments jointly support local extension programs.

Line item includes \$2.6 million designated in section 263 for Project GREEN, a research effort on behalf of Michigan's agricultural industry.

Funding Source(s): GF/GP 28,672,600

*Related Boilerplate Section(s): 263, 263a*

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**GROSS APPROPRIATION \$337,777,800 Total of all applicable line item appropriations.**

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State school aid fund 45,676,200 A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); constitutionally, funding may also be utilized for higher education.

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**STATE GENERAL FUND/ \$292,101,600 Unrestricted state revenue from taxes and other sources.**  
**GENERAL PURPOSE**

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**(G) MICHIGAN TECHNOLOGICAL UNIVERSITY**

Operations \$46,754,700 Grant to Michigan Tech University (MTU) for operations. MTU (the Michigan Mining School at the time) was founded as a state institution of higher education via 1885 PA 70.

Funding Source(s): Restricted 7,945,700  
GF/GP 38,809,000

Performance funding 1,342,800 Additional funds appropriated to MTU, calculated based on performance metrics. Payment of funds is contingent on university's compliance with requirements under sections 265 and 265a related to tuition restraint, reverse transfer agreements, dual enrollment credit policy, and the Michigan Transfer Network.

Funding Source(s): GF/GP 1,342,800

**GROSS APPROPRIATION \$48,097,500 Total of all applicable line item appropriations.**

State school aid fund 7,945,700 A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); constitutionally, funding may also be utilized for higher education.

**STATE GENERAL FUND/ GENERAL PURPOSE \$40,151,800 Unrestricted state revenue from taxes and other sources.**

**(H) NORTHERN MICHIGAN UNIVERSITY**

Operations \$45,107,700 Grant to Northern Michigan University (NMU) for operations. NMU was founded in 1899 as the Northern State Normal School (teaching college); the legal authority for the university's status as a state institution of higher education now exists in 1963 PA 48 (2nd Extra Session).

Funding Source(s): Restricted 7,665,800  
GF/GP 37,441,900

Performance funding 1,171,500 Additional funds appropriated to NMU, calculated based on performance metrics. Payment of funds is contingent on university's compliance with requirements under sections 265 and 265a related to tuition restraint, reverse transfer agreements, dual enrollment credit policy, and the Michigan Transfer Network.

Funding Source(s): GF/GP 1,171,500

**GROSS APPROPRIATION \$46,279,200 Total of all applicable line item appropriations.**

State school aid fund 7,665,800 A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); constitutionally, funding may also be utilized for higher education.

**STATE GENERAL FUND/ GENERAL PURPOSE \$38,613,400 Unrestricted state revenue from taxes and other sources.**

**(I) OAKLAND UNIVERSITY**

Operations \$48,371,900 Grant to Oakland University (OU) for operations. OU was founded as a branch of Michigan State University in 1957 and became an autonomous state institution of higher education via 1970 PA 35.

Funding Source(s): Restricted 8,220,500  
GF/GP 40,151,400

Performance funding	1,548,800	Additional funds appropriated to OU, calculated based on performance metrics. Appropriation reflects deduction of \$400,000 from figure calculated under performance formula. Payment of funds is contingent on university's compliance with requirements under sections 265 and 265a related to tuition restraint, reverse transfer agreements, dual enrollment credit policy, and the Michigan Transfer Network.
		Funding Source(s): GF/GP 1,548,800

<b>GROSS APPROPRIATION</b>	<b>\$49,920,700</b>	<b>Total of all applicable line item appropriations.</b>
State school aid fund	8,220,500	A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); constitutionally, funding may also be utilized for higher education.
<b>STATE GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$41,700,200</b>	<b>Unrestricted state revenue from taxes and other sources.</b>

**(J) SAGINAW VALLEY STATE UNIVERSITY**

Operations	\$28,181,200	Grant to Saginaw Valley State University (SVSU) for operations. SVSU was founded as Saginaw Valley College (a private institution) in 1963 and became a state institution of higher education via 1965 PA 278.
		Funding Source(s): Restricted 4,789,200 GF/GP 23,392,000

Performance funding	932,800	Additional funds appropriated to SVSU, calculated based on performance metrics. Payment of funds is contingent on university's compliance with requirements under sections 265 and 265a related to tuition restraint, reverse transfer agreements, dual enrollment credit policy, and the Michigan Transfer Network.
		Funding Source(s): GF/GP 932,800

<b>GROSS APPROPRIATION</b>	<b>\$29,114,000</b>	<b>Total of all applicable line item appropriations.</b>
State school aid fund	4,789,200	A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); constitutionally, funding may also be utilized for higher education.
<b>STATE GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$24,324,800</b>	<b>Unrestricted state revenue from taxes and other sources.</b>

**(K) UNIVERSITY OF MICHIGAN-ANN ARBOR**

Operations	\$299,975,000	Grant to University of Michigan-Ann Arbor (UM-Ann Arbor) for operations. The University of Michigan was founded in 1817 (prior to Michigan's admission to the union as a state in 1857); the legal authority for the university's status as a state institution of higher education now exists in 1851 PA 151.
		Funding Source(s): Restricted 50,979,200 GF/GP 248,995,800



Performance funding	733,900	Additional funds appropriated to UM-Flint, calculated based on performance metrics. Payment of funds is contingent on university's compliance with requirements under sections 265 and 265a related to tuition restraint, reverse transfer agreements, dual enrollment credit policy, and the Michigan Transfer Network.
		Funding Source(s): GF/GP 733,900

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**GROSS APPROPRIATION \$22,549,300 Total of all applicable line item appropriations.**

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State school aid fund	3,707,400	A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); constitutionally, funding may also be utilized for higher education.
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**STATE GENERAL FUND/ GENERAL PURPOSE \$18,841,900 Unrestricted state revenue from taxes and other sources.**

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**(N) WAYNE STATE UNIVERSITY**

Operations	\$191,451,300	Grant to Wayne State University (WSU) for operations. The first component of WSU was founded in 1868 as the Detroit Medical College; multiple college components were combined into a university organization by the Detroit Board of Education in 1933, and the university became a state institution of higher education via 1956 PA 183.
		Funding Source(s): Restricted 32,536,100 GF/GP 158,915,200

Performance funding	4,613,200	Additional funds appropriated to WSU, calculated based on performance metrics. Appropriation reflects addition of \$200,000 to figure calculated under performance funding formula. Payment of funds is contingent on university's compliance with requirements under sections 265 and 265a related to tuition restraint, reverse transfer agreements, dual enrollment credit policy, and the Michigan Transfer Network.
		Funding Source(s): GF/GP 4,613,200

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**GROSS APPROPRIATION \$196,064,500 Total of all applicable line item appropriations.**

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State school aid fund	32,536,100	A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); constitutionally, funding may also be utilized for higher education.
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**STATE GENERAL FUND/ GENERAL PURPOSE \$163,528,400 Unrestricted state revenue from taxes and other sources.**

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**(O) WESTERN MICHIGAN UNIVERSITY**

Operations	\$104,334,100	Grant to Western Michigan University (WMU) for operations. WMU was founded in 1903 as the Western State Normal School (teaching college); the legal authority for the university's status as a state institution of higher education now exists in 1963 PA 48 (2nd Extra Session).
		Funding Source(s): Restricted 17,731,000 GF/GP 86,603,100

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Performance funding	3,106,800	Additional funds appropriated to WMU, calculated based on performance metrics. Appropriation reflects addition of \$200,000 to figure calculated under performance funding formula. Payment of funds is contingent on university's compliance with requirements under sections 265 and 265a related to tuition restraint, reverse transfer agreements, dual enrollment credit policy, and the Michigan Transfer Network.	
		Funding Source(s):	GF/GP 3,106,800

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**GROSS APPROPRIATION \$107,440,900 Total of all applicable line item appropriations.**

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State school aid fund	17,731,000	A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); constitutionally, funding may also be utilized for higher education.	
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**STATE GENERAL FUND/  
GENERAL PURPOSE \$89,709,900 Unrestricted state revenue from taxes and other sources.**

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**SECTION 236(4): MICHIGAN PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM**

*A separate appropriation is made for costs associated with the Michigan Public School Employees' Retirement System (MPERS). Affects the seven public universities with MPERS-related costs: Central, Eastern, Ferris, Lake Superior State, Michigan Tech, Northern, and Western. Employees hired at those universities since 1996 are not included in MPERS; employees at the other eight public universities were never included in MPERS.*

Michigan public school employees' retirement system reimbursement	\$5,890,000	Funds the difference between the unfunded actuarial accrued liability contribution rate and the employer contribution cap of 25.73% of applicable payroll set by 2016 PA 136. Section 246 allocates funds in proportion to each university's applicable FY 2015-16 payroll (retirement system members plus employees who would have been members but for enactment of 1995 PA 272, which closed the system to new hires).
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Funding Source(s): Restricted 5,890,000

*Related Boilerplate Section(s): 246*

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<b>GROSS APPROPRIATION</b>	<b>\$5,890,000</b>	<b>Total of all applicable line item appropriations.</b>
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State school aid fund	5,890,000	A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); constitutionally, funding may also be utilized for higher education.
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<b>STATE GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$0</b>	<b>Unrestricted state revenue from taxes and other sources.</b>
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## SECTION 236(5): STATE AND REGIONAL PROGRAMS

*This subsection provides funding for programs that involve postsecondary institutions across the state.*

Higher education database modernization and conversion	\$200,000	Operational costs of maintaining Higher Education Institutional Data Inventory (HEIDI), a database to which the 15 public universities annually submit enrollment, finance, and other institutional data for use by state policy makers and university officials. Database established under section 1299 of Management and Budget Act, MCL 18.1299; administered by Department of Technology, Management and Budget, with input for advisory committee composed of executive, legislative, and university staff representatives.
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Funding Source(s): GF/GP 200,000

*Related Boilerplate Section(s): None*

Midwestern higher education compact	115,000	State's membership dues for interstate compact to identify and institute opportunities for member states (Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin) to realize economies of scale and increase postsecondary opportunities; Michigan entered compact through enactment of 1990 PA 195.
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Funding Source(s): GF/GP 115,000

*Related Boilerplate Section(s): None*

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<b>GROSS APPROPRIATION</b>	<b>\$315,000</b>	<b>Total of all applicable line item appropriations.</b>
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<b>STATE GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$315,000</b>	<b>Unrestricted state revenue from taxes and other sources.</b>
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**SECTION 236(6): MARTIN LUTHER KING, JR. -  
CESAR CHAVEZ - ROSA PARKS PROGRAM**

*This subsection provides funding for programs intended to increase the participation of academically or economically disadvantaged students in postsecondary education in Michigan. The programs are administered by the Workforce Development Agency in the Department of Talent and Economic Development. In addition to the funding for the three separately appropriated grant programs, funding for the King-Chavez-Parks (KCP) initiative is included in each university's operations appropriation and provided for under boilerplate language establishing Future Faculty, College Day, and Visiting Professors programs. The KCP programs are established only in budget article language; there is no independent authorizing statute.*

Select student support services	\$1,956,100	Competitive grants to develop academically or economically disadvantaged student retention programs at state's public and independent four-year colleges and universities; grants funded on 70/30 state/institutional basis.
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Funding Source(s):    GF/GP    1,956,100

*Related Boilerplate Section(s): 278, 282*

Michigan college/university partnership program	586,800	Competitive grants to increase the number of academically or economically disadvantaged students transferring from community colleges to four-year public and independent colleges and universities; grants funded on 70/30 state/institutional basis.
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Funding Source(s):    GF/GP    586,800

*Related Boilerplate Section(s): 279, 282*

Morris Hood, Jr. educator development program	148,600	Competitive grants to increase the number of academically or economically disadvantaged students who enroll in and complete K-12 teacher education programs at the baccalaureate level.
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Funding Source(s):    GF/GP    148,600

*Related Boilerplate Section(s): 281, 282*

<b>GROSS APPROPRIATION</b>	<b>\$2,691,500</b>	<b>Total of all applicable line item appropriations.</b>
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<b>STATE GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$2,691,500</b>	<b>Unrestricted state revenue from taxes and other sources.</b>
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Children of veterans and officer's survivor tuition grant programs	1,400,000	<u>Children of Veterans Tuition Grant Program:</u> Grants to children of deceased or permanently disabled military veterans (2005 PA 248). A recipient must be enrolled at a Michigan college or university and meet other eligibility requirements; annual grant limit is \$2,800. Program costs make up larger majority of the appropriation; costs are partially funded from contributions through state income tax check-off.
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Officers' Survivor Tuition Grant Program: Grants to surviving spouses and children of Michigan police officers and firefighters killed in the line of duty (1996 PA 195). A recipient must be enrolled at a Michigan college or university. The program does not have a maximum award; a college financial aid officer must certify that the student has financial need. Annual costs have been less than \$100,000.

Funding Source(s):	Restricted	100,000
	GF/GP	1,300,000

*Related Boilerplate Section(s): 258*

Project GEAR-UP	3,200,000	Federally funded grant program intended to increase the number of low-income students who are prepared to enter and succeed in postsecondary education. Program provides financial aid awards to students graduating from urban/Title I high schools who participated in programs beginning in middle school (subset of students selected for awards). Award available for up to four years. Two rounds of federal grants: GEAR UP Michigan and GEAR UP College Day. Funding for college exposure portion of program is appropriated in the budget for the budget for the Department of Talent and Economic Development.
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Funding Source(s):	Federal	3,200,000
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*Related Boilerplate Section(s): 258*

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**GROSS APPROPRIATION    \$110,983,200    Total of all applicable line item appropriations.**

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United States department of education, office of elementary and secondary education, GEAR-UP program	3,200,000	Federal GEAR UP grant funds.
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Social security act, temporary assistance for needy families	98,326,400	Federal block grant funding (TANF) intended to help needy families achieve self-sufficiency. Funding is currently utilized for major state financial aid programs, in place of state funding, in order to improve the state's TANF maintenance-of-effort (MOE) position.
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Contributions to children of veterans tuition grant program	100,000	Contributions for Children of Veterans Program made through the state income tax form pursuant to section 437 of Income Tax Act of 1967.
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**STATE GENERAL FUND/ GENERAL PURPOSE    \$9,356,800    Unrestricted state revenue from taxes and other sources.**

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**SECTION 236(9): MSU DIAGNOSTIC CENTER FOR POPULATION AND ANIMAL HEALTH**

*This subsection provides one-time funding for the Diagnostic Center for Population and Animal Health at Michigan State University, which assists in identifying emerging animal and public health issues and works with national, state, and local agencies on research and responses to diseases such as avian influenza, bovine tuberculosis, West Nile virus, and chronic wasting disease.*

Michigan State University Diagnostic Center for Population and Animal Health	\$500,000	Support identified as one-time funding for MSU's Diagnostic Center for Population and Animal Health.	Funding Source(s):	GF/GP	500,000
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*Related Boilerplate Section(s): None*

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<b>GROSS APPROPRIATION</b>	<b>\$500,000</b>	<b>Total of all applicable line item appropriations.</b>
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<b>STATE GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$500,000</b>	<b>Unrestricted state revenue from taxes and other sources.</b>
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## BOILERPLATE SECTION INFORMATION

**NOTE:** Boilerplate sections with no changes from current law do not appear in budget bill but remain in compiled School Aid Act and apply to FY 2015-16 appropriations.

### **GENERAL SECTIONS**

#### **Sec. 236a. FY 2017-18 Appropriations**

States intent to provide same appropriation amounts for FY 2016-17, adjusted for caseload and related costs, federal fund match rates, economic factors, and available revenue.

#### **Sec. 236b. Contingency Funds**

Appropriates up to \$6.0 million in federal contingency funds for financial aid, to be expended only after transfer to specific line items through the legislative transfer process.

#### **Sec. 236c. State Building Authority (SBA) Rent Payments**

Lists amounts appropriated through Department of Technology, Management, and Budget, totaling estimated \$145.0 million, for SBA rent payments associated with state costs for previous capital outlay projects at universities.

#### **Sec. 237. Management and Budget Act**

Subjects funds appropriated to Management and Budget Act.

#### **Sec. 237b. Definitions**

Defines the term "Workforce Development Agency."

#### **Sec. 238. Reporting by Internet**

Requires institutions of higher education to use Internet to submit reports.

#### **Sec. 239. American Goods and Services**

States preference for American goods and services, as well as those produced in Michigan and those produced by businesses owned by veterans.

#### **Sec. 241. Payment of Appropriations**

Provides for 11 monthly payments to universities; authorizes Department of Treasury to withhold appropriations if universities fail to submit HEIDI data by specified deadlines.

#### **Sec. 242. Federal or Private Funds**

Appropriates federal or private funds received by the state for use by a college or university.

#### **Sec. 243. Provision of Information**

Requires universities to furnish all required information to state budget director and appropriations committees.

#### **Sec. 244. Postsecondary Student Data System**

Requires universities to cooperate with measures taken by state to establish a statewide P-20 education longitudinal data system; authorizes state budget director to withhold monthly payments for a university not in compliance.

#### **Sec. 245. University Transparency**

Requires each university to post on its website specified data on budget, revenue, expenditures, and employee compensation, as well as university performance data, information on transfer policies and opportunities for high school students to earn college credit, and links to campus security policies and crime statistics, collective bargaining agreements, benefit plans, and audits. Allows budget director to withhold payments for noncompliance.

#### **Sec. 246. MPERS Costs**

Allocates MPERS funding based on each participating university's percentage of the total combined payrolls of employees who are MPERS members hired before January 1 1996, and employees who would have been members but for enactment of 1995 PA 272, which closed the system to new hires. A university's MPERS payment would be equal to the difference between the unfunded actuarial accrued liability contribution rate and the employer contribution cap of 25.73% of applicable payroll set by 2016 PA 136.

### **GRANTS AND FINANCIAL AID**

#### **Sec. 251. State Competitive Scholarship Program**

Provides for distribution of funds appropriated for State Competitive Scholarships; specifies maximum grant amount of at least \$575, unless insufficient funds are available, in which case a report is required.

## BOILERPLATE SECTION INFORMATION

### **Sec. 252. Tuition Grant Program**

Provides for distribution of funds appropriated for Tuition Grants; specifies maximum grant amount of at least \$1,512, unless insufficient funds are available, in which case a report is required; limits award eligibility to undergraduate students; provides that unexpended funds at close of fiscal year remain available for expenditure in subsequent year; caps awards received by students at a single institution at \$3.2 million; requires participating institutions to submit certain student performance data by September 30; requires independent colleges and universities to report on efforts to develop and implement sexual assault response training for key personnel.

### **Sec. 253. Audit of Independent Institutions**

Allows auditor general to audit selected enrollments, degrees, and awards at independent colleges and universities receiving financial aid awards.

### **Sec. 254. Financial Aid Payment Schedules**

Specifies payment schedules for financial aid programs.

### **Sec. 255. Needs Analysis Criteria**

Requires Department of Treasury to determine the needs analysis criteria for students to qualify for State Competitive Scholarships and Tuition Grants.

### **Sec. 256. Tuition Incentive Program**

Specifies criteria for Tuition Incentive Program eligibility; provides for award conditions and limits under Phases I (associate's degree and certificate programs) and II (third and fourth years toward bachelor's degree) of the program; beginning in FY 2017-18, caps awards at any one college or university at \$8.5 million.

### **Sec. 257. Independent Institution Data**

Requires independent colleges and universities to make data regarding grants available to legislature and state budget director.

### **Sec. 258. Financial Aid Annual Report**

Requires annual report from Department of Treasury on all state financial aid programs.

## **UNIVERSITY OPERATIONS**

### **Sec. 261. Douglas Lake Biological Station**

Designates University of Michigan Douglas Lake Biological Station as a unique resource.

### **Sec. 263. Project GREEN**

Allocates \$5.6 million from MSU AgBioResearch and MSU Extension appropriations for Project GREEN (Generating Research and Extension to meet Environmental and Economic Needs).

### **Sec. 263a. MSU AgBioResearch and MSU Extension**

States intent regarding metric goals to be used to evaluate impacts of MSU AgBioResearch and MSU Extension; requires annual report containing financial data and metric goals for the two organizations.

### **Sec. 264. Future Farmers of America**

Allocates \$80,000 from Michigan State University's appropriation for the Future Farmers of America Association.

### **Sec. 265. Tuition Restraint**

Provides tuition restraint requirements in order to receive performance funding increase in FY 2016-17; universities must hold resident undergraduate tuition/fee increase to 4.2% or below. Defines the term "fee" to include the cost of a university-affiliated health insurance policy for a university that compels resident undergraduate students to have health insurance coverage as a condition of enrollment. States that universities that exceed the tuition restraint cap shall not receive a planning or construction authorization for a state-funded capital outlay project in FY 2017-18 or FY 2018-19.

## BOILERPLATE SECTION INFORMATION

### **Sec. 265a. Performance Funding**

Includes requirements for a university to receive performance funding increase in FY 2016-17:

- Comply with tuition restraint requirements under section 265.
- Certify that university participates in reverse transfer agreements with at least three Michigan community colleges.
- Certify that dual enrollment policy does not consider use of credits toward high school graduation requirements.
- Actively participate in Michigan Transfer Network.

Establishes process for universities to certify (by August 31, 2016) that they have complied with all requirements. Specifies that performance funding forfeited by a university due to noncompliance be redistributed to other universities based on appropriated performance funding amounts. Describes data components utilized to calculate performance funding amounts and scoring system utilized for national peer comparisons.

### **Sec. 267. Tuition Rate Reports**

Requires tuition and fee data to be submitted to HEIDI database; requires report on revision to tuition and fees within 15 days of adoption.

### **Sec. 268. Unfunded Indian Tuition Waiver Costs**

States legislative intent that funds be allocated for unfunded Indian Tuition Waiver costs at public universities from the General Fund. Requires Department of Civil Rights to report certain information related to the waivers, and requires universities to provide data under guidelines and procedures developed by the Department of Civil Rights.

### **Sec. 269. Saginaw Tribal Indian Tuition Waiver Funding**

Requires \$29,700 payment from Central Michigan's appropriation to Saginaw Chippewa Tribal College for costs of Indian Tuition Waiver Program.

### **Sec. 270. Bay Mills Indian Tuition Waiver Funding**

Requires \$100,000 payment from Lake Superior State's appropriation to Bay Mills Community College for costs of Indian Tuition Waiver Program.

### **Sec. 271a. Union-Related Activities**

States legislative intent that universities not knowingly and directly use state funds to offer instructional activity that targets specific companies or specific groups of companies for unionization or decertification of a union.

### **Sec. 274. Embryonic Stem Cell Research**

States intent that universities conducting research using human embryonic stem cells report to the Department of Community Health regarding compliance with federal guidelines and stem cell lines derived by university.

### **Sec. 274c. Sexual Assault Response Training**

Requires public universities to report on efforts to develop and implement sexual assault response training for key personnel.

### **Sec. 275. Veterans Policies**

States intent for universities to participate in the Yellow Ribbon GI Education Enhancement Program and provide other veterans-related services; requires report on program participation. States intent that universities consider all veterans as in-state residents for determining tuition/fees and waive enrollment fees for all veterans. Requires report on all services provided specific to veterans and active duty military personnel.

### **Sec. 275a. Capital Outlay Reporting**

Prohibits use of state funds for self-liquidating projects; requires compliance with Joint Capital Outlay Subcommittee reporting requirements, with specified penalty of 1.0% appropriation reduction.

### **Sec. 275b. Veterans Admissions**

Requires universities, when aware that an applicant for admission is a veteran or member of the military, to notify applicant of potential availability of academic credit for college-level military training.

## **MARTIN LUTHER KING, JR. - CESAR CHAVEZ - ROSA PARKS PROGRAMS**

### **Sec. 276. Martin Luther King, Jr. – Cesar Chavez – Rosa Parks (KCP) Future Faculty Program**

Provides for program, funded by allocations from public university appropriations, intended to increase number of academically or economically disadvantaged candidates pursuing faculty teaching careers.

## BOILERPLATE SECTION INFORMATION

### **Sec. 277. KCP College Day Program**

Provides for program, funded by allocations from public university appropriations, intended to introduce academically or economically disadvantaged schoolchildren to the potential of a college education.

### **Sec. 278. KCP Select Student Support Services Program**

Provides for program, funded by distinct appropriation for grants to public/independent institutions, intended to develop academically/economically disadvantaged student retention programs.

### **Sec. 279. KCP College/University Partnership Program**

Provides for program, funded by distinct appropriation for grants to public/independent institutions, intended to increase the number of academically or economically disadvantaged students who transfer from community colleges to baccalaureate institutions.

### **Sec. 280. KCP Visiting Professors Program**

Provides for program, funded by allocations from public university appropriations, intended to increase the number of instructors to provide role models for academically or economically disadvantaged students.

### **Sec. 281. KCP Morris Hood, Jr. Educator Development Program**

Provides for program, funded by distinct appropriation for grants to public/independent institutions, intended to increase the number of academically or economically disadvantaged students enrolling in and completing K-12 teacher education programs.

### **Sec. 282. Reallocation of KCP Funds**

Provides for reallocation of KCP grant funds from institutions that do not fully expend their funds.

## **STUDENT PERFORMANCE REPORTING**

### **Sec. 283. Information to High Schools**

Requires universities to inform high schools regarding the academic status of students from each high school; requires universities to work with Center for Educational Performance and Information to implement requirement.

### **Sec. 284. Information to Community Colleges**

Requires universities to inform community colleges regarding the academic status of transfer students; requires universities to work with Center for Educational Performance and Information to implement requirement.

### **Sec. 285. Transfer from Community College**

Requires universities to work with community colleges to encourage the transfer of students and credits.

### **Sec. 286. Reverse Transfer**

Requires universities to work with community colleges to implement state reverse transfer agreements for students transferring from a community college to a university to be able to transfer credits back to the community college and be awarded a credential.

### **Sec. 286a. Academic Program Partnerships**

Requires Michigan Community College Association, Michigan Association of State Universities (MASU), and Michigan Independent Colleges and Universities to report on academic partnerships between public community colleges, public universities, and private colleges and universities.

## **GENERAL REPORTS AND AUDITS**

### **Sec. 289. Audit of HEIDI Data**

Requires auditor general to review HEIDI data; excludes certain credit hours from those reported to HEIDI; states that legislature retains authority to exclude specific academic programs for enrollment reporting purposes.

### **Sec. 290. New Degree Programs**

Requires that MASU report the lists of new and discontinued academic programs at universities each year.

### **Sec. 291. Performance Audits**

Permits auditor general to conduct performance audits of public universities.

## BOILERPLATE SECTION INFORMATION

### **ARTICLE IV: GENERAL PROVISIONS**

#### ***Sec. 296. School Aid Fund Proration***

Provides for university appropriation amounts funded from School Aid Fund revenue to be reduced (along with K-12 and Community College appropriations) if total School Aid Fund appropriations are greater than the revenue available in the fund.

#### ***Enacting Section 1. State Spending to Locals***

Reports spending from state resources and estimated payments to local units of government.





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