



HOUSE BILL No. 4425

February 15, 1995, Introduced by Reps. Gilmer, McBryde, Johnson, Bankes, LeTarte, Dolan, Oxender, McNutt, Geiger, Middleton, Jellema and Bobier and referred to the Committee on Appropriations.

EXECUTIVE BUDGET BILL

A bill to make appropriations for the state institutions of higher education and certain state purposes related to education for the fiscal year ending September 30, 1996; to provide for the expenditures of those appropriations; and to prescribe the powers and duties of certain state departments, institutions, agencies, and officers.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 101. There is appropriated for the state institutions of higher
2 education and certain state purposes related to education, and subject to
3 the conditions set forth in this act, for the fiscal year ending September
4 30, 1996, the following respective amounts:

1	HIGHER EDUCATION	
2	APPROPRIATIONS SUMMARY:	
3	GROSS APPROPRIATION	\$ 1,433,680,096
4	Interdepartmental grant revenues:	
5	Total interdepartmental grants and	
6	intradepartmental transfers	0
7	ADJUSTED GROSS APPROPRIATION	\$ 1,433,680,096
8	Federal revenues:	
9	Total federal revenues	5,149,700
10	Special revenue funds:	
11	Total local revenues	0
12	Total private revenues	0
13	Total other state restricted revenues	0
14	State general fund/general purpose	\$ 1,428,530,396
15	CENTRAL MICHIGAN UNIVERSITY	
16	Operations	\$ 63,569,739
17	Higher education charter school center	<u>500,000</u>
18	GROSS APPROPRIATION	\$ 64,069,739
19	Appropriated from:	
20	State general fund/general purpose	\$ 64,069,739
21	EASTERN MICHIGAN UNIVERSITY	
22	Operations	\$ <u>69,967,731</u>
23	GROSS APPROPRIATION	\$ 69,967,731
24	Appropriated from:	
25	State general fund/general purpose	\$ 69,967,731
26	FERRIS STATE UNIVERSITY	
27	Operations	\$ <u>44,315,280</u>
28	GROSS APPROPRIATION	\$ 44,315,280
29	Appropriated from:	

1	State general fund/general purpose	\$	44,315,280
2	GRAND VALLEY STATE UNIVERSITY		
3	Operations	\$	<u>37,205,505</u>
4	GROSS APPROPRIATION	\$	37,205,505
5	Appropriated from:		
6	State general fund/general purpose	\$	37,205,505
7	LAKE SUPERIOR STATE UNIVERSITY		
8	Operations	\$	<u>11,259,868</u>
9	GROSS APPROPRIATION	\$	11,259,868
10	Appropriated from:		
11	State general fund/general purpose	\$	11,259,868
12	MICHIGAN STATE UNIVERSITY		
13	Operations	\$	<u>255,674,235</u>
14	GROSS APPROPRIATION	\$	255,674,235
15	Appropriated from:		
16	State general fund/general purpose	\$	255,674,235
17	MICHIGAN TECHNOLOGICAL UNIVERSITY		
18	Operations	\$	<u>43,112,857</u>
19	GROSS APPROPRIATION	\$	43,112,857
20	Appropriated from:		
21	State general fund/general purpose	\$	43,112,857
22	NORTHERN MICHIGAN UNIVERSITY		
23	Operations	\$	<u>42,117,660</u>
24	GROSS APPROPRIATION	\$	42,117,660
25	Appropriated from:		
26	State general fund/general purpose	\$	42,117,660
27	OAKLAND UNIVERSITY		
28	Operations	\$	<u>38,267,422</u>
29	GROSS APPROPRIATION	\$	38,267,422

1	Appropriated from:		
2	State general fund/general purpose	\$	38,267,422
3	SAGINAW VALLEY STATE UNIVERSITY		
4	Operations	\$	<u>18,380,572</u>
5	GROSS APPROPRIATION	\$	18,380,572
6	Appropriated from:		
7	State general fund/general purpose	\$	18,380,572
8	UNIVERSITY OF MICHIGAN-ANN ARBOR		
9	Operations	\$	<u>288,746,981</u>
10	GROSS APPROPRIATION	\$	288,746,981
11	Appropriated from:		
12	State general fund/general purpose	\$	288,746,981
13	UNIVERSITY OF MICHIGAN-DEARBORN		
14	Operations	\$	<u>19,826,414</u>
15	GROSS APPROPRIATION	\$	19,826,414
16	Appropriated from:		
17	State general fund/general purpose	\$	19,826,414
18	UNIVERSITY OF MICHIGAN-FLINT		
19	Operations	\$	<u>17,916,995</u>
20	GROSS APPROPRIATION	\$	17,916,995
21	Appropriated from:		
22	State general fund/general purpose	\$	17,916,995
23	WAYNE STATE UNIVERSITY		
24	Operations	\$	<u>205,178,006</u>
25	GROSS APPROPRIATION	\$	205,178,006
26	Appropriated from:		
27	State general fund/general purpose	\$	205,178,006
28	WESTERN MICHIGAN UNIVERSITY		
29	Operations	\$	<u>97,639,701</u>

1	GROSS APPROPRIATION	\$	97,639,701
2	Appropriated from:		
3	State general fund/general purpose	\$	97,639,701
4	STATE AND REGIONAL PROGRAMS		
5	Agricultural experiment station	\$	27,437,137
6	Cooperative extension service		23,630,736
7	Japan center for Michigan universities		300,000
8	Higher education database modernization		
9	and conversion		<u>250,000</u>
10	GROSS APPROPRIATION	\$	51,617,873
11	Appropriated from:		
12	State general fund/general purpose	\$	51,617,873
13	MARTIN LUTHER KING, JR.-CESAR CHAVEZ-ROSA		
14	PARKS PROGRAMS		
15	Select student supportive services	\$	1,774,992
16	Michigan college/university partnership program		532,498
17	Visiting professors program		<u>149,587</u>
18	GROSS APPROPRIATION	\$	2,457,077
19	Appropriated from:		
20	State general fund/general purpose	\$	2,457,077
21	GRANTS AND FINANCIAL AID		
22	State competitive scholarships	\$	30,563,177
23	Tuition grants		53,540,723
24	Michigan work study program		6,611,391
25	Part-time independent student program		2,394,394
26	Grant for Michigan resident dental graduates		4,167,081
27	Grant for general degree graduates		4,788,354
28	Grant for allied health graduates		771,235
29	Phase-out of reimbursements for		

1	Indian tuition waivers	6,500,000
2	Michigan education opportunity grants	1,880,771
3	Paul Douglas teacher scholarship program	750,000
4	Robert C. Byrd honors scholarship program	1,100,000
5	Tuition incentive program	<u>12,859,054</u>
6	GROSS APPROPRIATION	\$ 125,926,180
7	Appropriated from:	
8	Federal revenues:	
9	DED-OPSE, grants to state for state student	
10	incentives	3,299,700
11	DED-OPSE, Douglas teacher scholarships	750,000
12	DED-OPSE, Byrd honors scholarships	1,100,000
13	State general fund/general purpose	\$ 120,776,480

14 **GENERAL SECTIONS**

15 Sec. 201. The expenditures and funding sources authorized under
16 this bill are subject to the management and budget act, Act No. 431 of
17 the Public Acts of 1984, being sections 18.1101 to 18.1594 of the
18 Michigan Compiled Laws.

19 Sec. 202. (1) For institutions with fiscal years ending June 30,
20 1996, the sums appropriated in this act are appropriated for their
21 fiscal years ending June 30, 1996 and shall be paid out of the state
22 treasury and distributed by the state treasurer to the respective
23 institutions in 9 monthly installments for the period October 1, 1995
24 to June 30, 1996 pursuant to Act No. 190 of the Public Acts of 1991,
25 being sections 487.2101 to 487.2105 of the Michigan Compiled Laws. For
26 an institution with a fiscal year ending September 30, 1996, the sums
27 appropriated in this act are appropriated for the fiscal year ending
28 September 30, 1996 and shall be paid out of the state treasury and
29 distributed by the state treasurer in 12 monthly installments for the

1 period October 1, 1995 to September 30, 1996, pursuant to Act No. 190
2 of the Public Acts of 1991, being sections 487.2101 to 487.2105 of the
3 Michigan Compiled Laws. The amount distributed to an institution shall
4 not exceed the net appropriations plus additional distributions
5 specifically authorized by this act.

6 (2) All universities shall submit HEIDI data and associated
7 financial and program information requested by and in a manner
8 prescribed by the state budget director. For universities with fiscal
9 years ending June 30, 1995, these data shall be submitted to the
10 department of management and budget by October 15, 1995. Universities
11 with a fiscal year ending September 30, 1995, shall submit preliminary
12 HEIDI data by November 15, 1995.

13 (3) If the appropriations for the Martin Luther King, Jr.-Cesar
14 Chavez-Rosa Parks programs are not committed or awarded by April 1,
15 1996, the funds shall become subject to legislative transfer. Any
16 unexpended and unencumbered funds remaining on September 30, 1996 from
17 the amount appropriated for the Martin Luther King, Jr.-Cesar
18 Chavez-Rosa Park programs shall lapse on September 30, 1996, and shall
19 be returned to the state general fund.

20 (4) A detailed description of procedures utilized to arrive at the
21 amounts appropriated in section 101 shall be submitted to each
22 institution by the senate and house fiscal agencies.

23 Sec. 203. Money received by the state from the federal government
24 or private sources for the use of a college or university is
25 appropriated for the purpose for which it was provided. The acceptance
26 and use of federal or private funds shall not place an obligation upon
27 the legislature to continue the purposes for which the funds are made
28 available.

29 Sec. 204. (1) Guidelines and procedures developed by the state
30 universities, through the presidents council, and in cooperation with

1 the Michigan commission on Indian affairs and the Michigan department
2 of education, shall be used to ensure accurate and consistent reporting
3 of North American Indian student enrollments. The distribution of state
4 supported and federally supported campus-based financial aid awards
5 which are designated for students on the basis of their North American
6 Indian status shall comply with the guidelines and procedures developed
7 pursuant to this section.

8 (2) As used in this section, "North American Indian" means that
9 term as defined in section 2 of Act No. 174 of the Public Acts of 1976,
10 being section 390.1252 of the Michigan Compiled Laws or as certified by
11 a tribal organization.

12 Sec. 205. All universities shall furnish all program and financial
13 information that is required by and in a manner prescribed by the
14 director of the department of management and budget or the house or
15 senate appropriations committee.

16 Sec. 206. As used in this act:

17 (a) "DED" means the United States department of education.

18 (b) "DED-OPSE" means DED office of postsecondary education.

19 (c) "HEIDI" means higher education data inventory.

20 **GRANTS AND FINANCIAL AID**

21 Sec. 301. (1) Payments of the amounts included in section 101 for
22 the state competitive scholarship program shall be distributed pursuant
23 to Act No. 208 of the Public Acts of 1964, being sections 390.971 to
24 390.981 of the Michigan Compiled Laws. The maximum per award shall be
25 \$1,200.00.

26 (2) The Michigan higher education assistance authority shall
27 implement a proportional competitive scholarship maximum award level
28 for recipients enrolled less than full-time in a given semester or
29 term.

30 (3) If a student who receives an award under this section has his

1 or her tuition and fees paid under the Michigan educational trust
2 program, pursuant to the Michigan education trust act, Act No. 316 of
3 the Public Acts of 1986, being sections 390.1421 to 390.1444 of the
4 Michigan Compiled Laws, and still has financial need, the funds awarded
5 under this section may be used for educational expenses other than
6 tuition and fees.

7 Sec. 302. (1) The amounts appropriated in section 101 for the state
8 tuition grant program shall be distributed pursuant to Act No. 313 of
9 the Public Acts of 1966, being sections 390.991 to 390.997a of the
10 Michigan Compiled Laws. The maximum per grant shall be \$2,300.00.

11 (2) Tuition grant awards shall be made to all eligible Michigan
12 residents who apply before September 1, 1995, and who are qualified.

13 (3) The Michigan higher education assistance authority shall
14 determine an actual maximum tuition grant award per student that
15 ensures that the aggregate payments for the tuition grant program do
16 not exceed the appropriation contained in section 101 for the state
17 tuition grant program. By October 15, 1995, and again by December 15,
18 1995, the authority shall analyze the status of award commitments,
19 shall make any necessary adjustments, and shall confirm that those
20 award commitments will not exceed the appropriation contained in
21 section 101 for the tuition grant program. The determination and
22 actions shall be reported to the department of management and budget
23 and the house and senate appropriation subcommittees on higher
24 education no later than December 15, 1995. If award adjustments are
25 necessary, the students shall be notified of the adjustment by the
26 third Monday in January.

27 (4) Any unexpended and unencumbered funds remaining on September
28 30, 1996 from the amounts appropriated in section 101 for the tuition
29 grant program shall not lapse on September 30, 1996, but shall continue
30 to be available for expenditure for tuition grants provided in the

1 1996-97 fiscal year. Use of these unexpended fiscal year 1995-96 funds
2 shall terminate at the end of the 1996-97 fiscal year.

3 (5) The Michigan higher education assistance authority shall
4 continue a proportional tuition grant maximum award level for
5 recipients enrolled less than full-time in a given semester or term.

6 Sec. 303. (1) Included in the appropriation in section 101 is
7 funding for the Michigan work study program established under Act No.
8 288 of the Public Acts of 1986, being sections 390.1371 to 390.1382 of
9 the Michigan Compiled Laws, and Act No. 303 of the Public Acts of 1986,
10 being sections 390.1321 to 390.1332 of the Michigan Compiled Laws. An
11 effort should be made by each institution participating in the Michigan
12 work study program to ensure that not less than 10% of those
13 undergraduate, graduate, and professional students eligible to
14 participate in the program are placed with for-profit employers no
15 later than December 31, 1995.

16 (2) The Michigan higher education assistance authority shall
17 allocate funds to institutions eligible for work study money based upon
18 each institution's specific Pell grant index and each institution's
19 utilization rate of work study funds for the three most recent years
20 for which statistics are available.

21 (3) The Michigan higher education assistance authority shall set
22 aside not more than 5% of the total work study appropriation to process
23 requests from participating institutions for allocation adjustments.
24 Allocation adjustments shall be based on criteria set by the authority
25 prior to making the allocations under subsection (2).

26 Sec. 304. (1) Payments of the amounts included in section 101 for
27 the general degree reimbursement program established under Act No. 75
28 of the Public Acts of 1974, being sections 390.1021 to 390.1027 of the
29 Michigan Compiled Laws, shall be made for all degrees identified in
30 section 1(1) of Act No. 75 of the Public Acts of 1974, being section

1 390.1021 of the Michigan Compiled Laws, except doctor of dental
2 surgery, doctor of dental medicine, juris doctor law, and allied health
3 degrees.

4 (2) The reimbursement rate per eligible degree shall be the equally
5 prorated amount permitted by the appropriation, except that the amount
6 of the reimbursement for each associate degree shall be one-half of the
7 rate of reimbursement for the other degrees eligible under subsection
8 (1) for the general degree reimbursement program.

9 (3) From the general degree reimbursement program, \$135,300.00
10 shall be provided to Spring Arbor College for the southern Michigan
11 state prison program.

12 (4) From the general degree reimbursement program, \$200,500.00
13 shall be provided to the University of Detroit-Mercy for graduate
14 research aid.

15 (5) From the general degree reimbursement program, \$30,100.00 shall
16 be provided to Marygrove College for learning clinics.

17 (6) From the general degree reimbursement program, \$50,000.00 shall
18 be provided to Suomi College for career education programs.

19 Sec. 305. The reimbursement rate per eligible degree under the
20 allied health degree reimbursement program established under Act No. 75
21 of the Public Acts of 1974, being sections 390.1021 to 390.1027 of the
22 Michigan Compiled Laws, shall be the equally prorated amount permitted
23 by the appropriation included in section 101.

24 Sec. 306. Funds disbursed through the degree reimbursement programs
25 shall not be used by any recipient institution for theology or divinity
26 programs.

27 Sec. 307. (1) Funds appropriated in section 101 for the Indian
28 tuition waiver program are to be established as a work project to
29 provide reimbursement for tuition waivers for eligible students
30 enrolled in classes for academic years 1993-94 and 1994-95 including

1 summer term enrollment 1995. All other funding for the Indian tuition
2 waiver program is discontinued.

3 (2) The funds appropriated in section 101 shall be used to pay for
4 tuition waived by public colleges and universities and Bay Mills
5 community college for eligible students that received waivers for
6 academic years 1993-94 and 1994-95 including summer term enrollment
7 1995. No payments shall be made for any class or classes beginning on
8 or after July 1, 1995.

9 (3) The outstanding payments shall be reviewed and authorized using
10 the same criteria and in the same manner and process used prior to the
11 program discontinuance. No payments shall be made for claims submitted
12 after June 30, 1996. It is anticipated that all payments and
13 reconciliation of the program will be completed by October 1, 1997.

14 Sec. 308. The auditor general shall audit selected enrollments,
15 degrees, and awards at selected independent colleges and universities
16 receiving awards administered by the department of education. The
17 audits shall be based upon definitions and requirements established by
18 the department of management and budget and the senate and house fiscal
19 agencies. The auditor general shall submit a report of findings to the
20 senate and house appropriations committees not later than May 1, 1996.

21 Sec. 309. The sums appropriated in section 101 for the student
22 financial aid and degree reimbursement programs shall be paid out of
23 the state treasury and shall be distributed to the respective
24 institutions in accordance with a quarterly payment system as follows:

25 (a) For the state competitive scholarship, tuition incentive, and
26 tuition grant programs, 40% shall be paid at the beginning of the
27 state's first fiscal quarter, 40% at the beginning of the state's
28 second fiscal quarter, 10% at the beginning of the state's third fiscal
29 quarter, and 10% at the beginning of the state's fourth fiscal quarter.

30 (b) For the work-study program, payments shall be made in 9 monthly

1 installments from October 1 to June 30 of any year.

2 (c) For the part-time independent student program and Michigan
3 education opportunity grant program, 50% shall be paid at the beginning
4 of the state's first fiscal quarter, 25% at the beginning of the
5 state's second fiscal quarter, and 25% at the beginning of the state's
6 third fiscal quarter.

7 (d) For the Byrd honor scholarship program, general degree
8 reimbursement program, allied health degree reimbursement program,
9 Michigan resident dental grant program, phase-out of reimbursements for
10 Indian tuition waivers, and Paul Douglas teacher scholarship program,
11 50% shall be paid at the beginning of the state's first fiscal quarter,
12 and 50% at the beginning of the state's second fiscal quarter.

13 Sec. 310. The Michigan higher education assistance authority shall
14 determine the needs analysis criteria for students to qualify for the
15 competitive scholarship program and tuition grant program. To be
16 consistent with federal requirements, student wages may be taken into
17 consideration when determining the amount of the award.

18 Sec. 311. (1) The funds appropriated in section 101 for the tuition
19 incentive program/high school completion program shall be distributed
20 as provided in this section and pursuant to the administrative
21 procedures for the tuition incentive program/high school completion
22 program of the department of social services.

23 (2) As used in this section:

24 (a) "Phase I" means the first part of the tuition incentive
25 assistance program defined as the academic period of 80 semester or 120
26 term credits, or less, leading to an associate degree or certificate.

27 (b) "Phase II" means the second part of the tuition incentive
28 assistance program which provides assistance in the third and fourth
29 year of 4-year degree programs.

30 (c) "Department" means the department of social services.

1 (3) A person shall meet the following basic criteria and financial
2 thresholds to be eligible for tuition incentive benefits:

3 (a) To be eligible for phase I, a person shall meet all of the
4 following criteria:

5 (i) Apply for certification to the department prior to graduating
6 from high school or completing the general education development (GED)
7 certificate.

8 (ii) Be less than 20 years of age at the time of high school
9 graduation or GED completion.

10 (iii) Be a United States citizen and a resident of Michigan
11 according to institutional criteria.

12 (iv) Be at least a half-time student, earning less than 80 semester
13 or 120 term credits at a participating educational institution within 4
14 years of high school graduation or GED certificate completion.

15 (b) To qualify for phase II, a person shall meet either of the
16 following criteria in addition to the criteria in subdivision (a):

17 (i) Complete at least 56 transferable semester or 84 transferable
18 term credits.

19 (ii) Obtain an associate degree or certificate at a participating
20 institution.

21 (c) To participate in phase I or phase II, a person must be
22 financially eligible as determined by the department. A person is
23 eligible for the tuition incentive program if that person was medicaid
24 eligible for 24 months within the 36 months prior to application.
25 Certification of eligibility may begin in the sixth grade and continue
26 until the time of enrollment in a participating institution.

27 (4) For phase I, the department shall provide payment on behalf of
28 a person eligible under subsection (3). The department shall reject
29 billings that are excessive or outside the guidelines for the type of
30 educational institution.

1 (5) For phase I, all of the following apply:

2 (a) Payments for associate degree or certificate programs shall not
3 be made for more than 80 semester or 120 term credits for any
4 individual student at any participating institution.

5 (b) For persons enrolled at a Michigan community college, the
6 department shall pay the current in-district tuition and mandatory
7 fees. For persons residing in an area that is not included in any
8 community college district, the out-of-district tuition rate may be
9 authorized.

10 (c) For persons enrolled at a Michigan public university or a
11 Michigan independent, nonprofit degree granting college or university,
12 or a Michigan federal tribally controlled community college, the
13 department shall pay mandatory fees for the current year and a per
14 credit payment that does not exceed the average community college
15 in-district per credit tuition rate as reported on August 1, for the
16 immediately preceding academic year.

17 (6) A person participating in phase II may be eligible for
18 additional funds not to exceed \$500.00 per semester or \$400.00 per term
19 up to a maximum of \$2,000.00 subject to the following conditions:

20 (a) Credits are earned in a 4-year program at a Michigan degree
21 granting 4-year college or university.

22 (b) The tuition reimbursement is for coursework completed within 30
23 months of completion of the phase I requirements.

24 (7) Program payments shall not be used by any recipient for
25 theology or divinity courses.

26 (8) The department shall work closely with participating
27 institutions to develop an application and eligibility determination
28 process that will provide the highest level of participation and ensure
29 that all requirements of the program are met.

30 (9) Applications for the tuition incentive program may be approved

1 at any time after the student completes the sixth grade. If a
2 determination of financial eligibility is made, that determination is
3 valid as long as the student meets all other program requirements and
4 conditions.

5 (10) Each institution shall ensure that all known available
6 restricted grants for tuition and fees are used prior to billing the
7 tuition incentive program for any portion of a student's tuition and
8 fees.

9 (11) The department shall ensure that the tuition incentive program
10 is well publicized and that potentially eligible medicaid clients are
11 provided information on the program.

12 **STATE UNIVERSITIES**

13 Sec. 401. The University of Michigan biological station at Douglas
14 Lake in Cheboygan County is regarded as a unique resource and is
15 designated as a special research reserve. No state programs or
16 policies shall be developed that would have a deleterious impact on the
17 research value of Douglas Lake.

18 Sec. 402. Included in section 101 is funding for the higher
19 education charter school center at Central Michigan University. This
20 center will serve as a resource to universities and community colleges,
21 and will provide technical assistance to prospective authorizing
22 agencies, the department of education, and parents on establishing and
23 operating a charter school.

24 Sec. 403. (1) Included in section 101 in the appropriation to Wayne
25 State University is \$5,268,429.00 for the Joseph F. Young, Sr.
26 psychiatric research and training program. Wayne State University shall
27 use these funds for psychiatric laboratory and clinical research,
28 training, and treatment services. Within the available appropriation,
29 services shall not be denied to any patient who meets established
30 research guidelines for treatment on the basis of personal financial

1 circumstances, age, geographic residence, or projected/actual length of
2 treatment as medically warranted.

3 (2) Wayne State University shall report the following information
4 to the department of mental health by November 1, 1996:

5 (a) The number and type of psychiatric research projects to be
6 funded by this appropriation.

7 (b) The number and type of students to be trained and the location
8 of training funded by this appropriation.

9 (c) Demographic data regarding the number and profile of patients
10 to receive psychiatric services funded by the appropriation and a
11 profile of the services provided.

12 (d) A summary budget outlining major expenditure categories and any
13 first and third party reimbursements.

14 (3) Copies of these reports shall also be provided to the house and
15 senate appropriations higher education subcommittees, the house and
16 senate appropriations mental health subcommittees, the house and senate
17 fiscal agencies, and the department of management and budget.

18 Sec. 404. Included in section 101 is funding to support the
19 operations of the Japan center for Michigan universities. These funds
20 can be used to satisfy the match requirements in section 902 of Act No.
21 312 of the Public Acts of 1994.

22 Sec. 405. Included in section 101 is one-time funding to support
23 modernization and conversion of the higher education database (HEIDI).
24 The department of management and budget, in consultation with the house
25 fiscal agency and senate fiscal agency, shall have the responsibility
26 of effecting the conversion.

27 Sec. 406. Adjustments in funding for university operations reflect
28 a combination of general increases and special adjustments to the base
29 operating budgets of universities with low levels of state
30 appropriations relative to enrollment and mission.

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

2 Sec. 501. (1) Included in section 101 is funding for the Martin
3 Luther King, Jr.-Cesar Chavez-Rosa Parks select student support
4 services program for developing academically and economically
5 disadvantaged student retention programs for 4-year public and
6 independent educational institutions in this state.

7 (2) An award made under this program to any 1 institution shall not
8 be greater than \$150,000.00, and the amount awarded shall be matched on
9 a 70% state, 30% college or university basis.

10 (3) The program shall be administered by the office of minority
11 equity in the Michigan department of education.

12 (4) Of the amount appropriated in section 101 for the Martin Luther
13 King, Jr.-Cesar Chavez-Rosa Parks select student support services
14 program, an amount not to exceed \$50,000.00 shall be used to conduct
15 performance audits of the Martin Luther King, Jr.-Cesar Chavez-Rosa
16 Parks programs. The performance audit shall include a review of the
17 select student support services program, the Michigan college/
18 university partnership program, and the visiting professors program.
19 The performance audit shall be principally designed to determine if the
20 King-Chavez-Parks programs are meeting their intended goals of
21 increasing the presence and success of underrepresented minorities in
22 postsecondary education. The department of education shall contract
23 with an outside audit firm to perform the reviews. The office of
24 minority equity and the department of management and budget shall
25 develop the performance audit specifications.

26 Sec. 502. (1) Included in section 101 is funding for the Martin
27 Luther King, Jr.-Cesar Chavez-Rosa Parks linkage program between 4-year
28 universities and public community colleges, which is intended to
29 increase the number of underrepresented minority students who transfer
30 from community colleges into baccalaureate programs.

1 (2) The grants shall be made under this program to Michigan public
2 universities. An award to any 1 institution shall not be greater than
3 \$150,000.00, and the amount awarded shall be matched on a 70% state,
4 30% university basis.

5 (3) The program shall be administered by the office of minority
6 equity in the Michigan department of education.

7 Sec. 503. (1) Included in the appropriation in section 101 is
8 funding for the Martin Luther King, Jr.-Cesar Chavez-Rosa Parks
9 visiting professors program which is intended to increase the number of
10 minority instructors in the classroom and provide role models for
11 underrepresented minority students.

12 (2) The program shall be administered by the office of minority
13 equity in the Michigan department of education.

14 **UNIVERSITY SERVICE TO K-12 EDUCATION**

15 Sec. 601. From the amount appropriated in section 101 for state
16 universities, the state universities shall systematically inform
17 Michigan high schools regarding the academic status of students from
18 each high school in a manner prescribed by the presidents council,
19 state universities of Michigan, in cooperation with the Michigan
20 association of secondary school principals.

21 **GENERAL REPORTS AND AUDITS**

22 Sec. 701. (1) The auditor general shall audit enrollments at 5
23 randomly selected public universities. The audits shall be based upon
24 the definitions and requirements established by the department of
25 management and budget and the senate and house fiscal agencies. The
26 audits shall be based on uniform reporting categories and shall include
27 HEIDI data. The auditor general shall submit a report of findings to
28 the house and senate appropriations committees no later than March 1,
29 1996.

30 (2) Student credit hours reports shall not include the following:

1 (a) Student credit hours generated through correspondence courses,
2 credit by examination, or inmate prison programs regardless of teaching
3 location.

4 (b) Student credit hours generated in new degree programs after
5 January 1, 1975, that have not been specifically authorized for funding
6 by the legislature, except spin-off programs converted from existing
7 core programs that do all of the following:

8 (i) Represent new options, fields, or concentrations within
9 existing programs.

10 (ii) Are consistent with the current institutional role and
11 mission.

12 (iii) Are accommodated within the continuing funding base of the
13 institution.

14 (iv) Do not require a new degree level beyond that which the
15 institution is currently authorized to grant within that discipline or
16 field.

17 (v) Do not require special grant funding from the state. As used in
18 this subparagraph, "special grant funding" means funding in addition to
19 that provided by the student credit hours generated within the program,
20 either before program initiation or within the first 3 years of program
21 operation.

22 Sec. 702. The principal executive officer of each institution of
23 higher education receiving an appropriation under this act shall report
24 to the house and senate appropriations committees, the auditor general,
25 the house and senate fiscal agencies, and the department of management
26 and budget within 60 days after the auditor general issues his or her
27 annual report on the operation of the institution. The institution's
28 report shall specify all of the following:

29 (a) The recommendations of the auditor general implemented by the
30 institution, including projected dates and resources required, if any,

1 to achieve compliance.

2 (b) The recommendations of the auditor general not implemented by
3 the institution or implemented by the institution as modified.

4 (c) The rationale for not implementing a recommendation of the
5 auditor general or of implementing a recommendation as modified.

6 Sec. 703. A state university that has not reported project
7 completion and total expenditure of oil overcharge revenues shall
8 submit an annual report by October 1, 1996 to the public service
9 commission in the department of commerce.

10 Sec. 704. (1) Each state university shall annually submit a report
11 to the governor, department of management and budget, speaker and
12 minority leader of the house, majority and minority leader of the
13 senate, chairpersons of the house and senate appropriations committees,
14 and chairpersons of the house and senate appropriations subcommittees
15 on higher education on efforts to ensure the English language oral
16 proficiency of teaching faculty.

17 (2) The next reporting date for the report under subsection (1) is
18 November 1, 1996.

19 Sec. 705. (1) Each state university shall report the following
20 information for the 1994-95 academic year to the house and senate
21 fiscal agencies and the department of management and budget:

22 (a) Separately, the number of ranked faculty, unranked faculty, and
23 graduate assistants who taught an undergraduate class section.

24 (b) The total number of undergraduate credit hours and section
25 credits taught by each of the following:

26 (i) Ranked faculty.

27 (ii) Unranked faculty.

28 (iii) Graduate assistants.

29 (2) For the purposes of this section, "ranked faculty", "unranked
30 faculty", and "graduate assistants" mean those terms as defined in the

1 higher education data inventory (HEIDI).

2 (3) This information shall be provided on or before October 31,

3 1995.