

HOUSE BILL No. 4309

June 2, 1997, Introduced by Reps. Gilmer, McBryde, Jellema, Bankes, Oxender, Godchaux, Johnson 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, 1998; to make appropriations for state building authority rent and insurance; 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
2 higher education and certain state purposes related to education, and
3 subject to the conditions set forth in this act, for the fiscal year
4 ending September 30, 1998, the following respective amounts:
5 HIGHER EDUCATION

1 APPROPRIATIONS SUMMARY:

2	GROSS APPROPRIATION	\$ 1,645,701,931
3	Interdepartmental grant revenues:	
4	Total interdepartmental grants and intradepartmental	
5	transfers	0
6	ADJUSTED GROSS APPROPRIATION	\$ 1,645,701,931
7	Federal revenues:	
8	Total federal revenues	5,100,000
9	Special revenue funds:	
10	Total local revenues	0
11	Total private revenues	0
12	Total other state restricted revenues	3,800,000
13	State general fund/general purpose	\$ 1,636,801,931
14	OPERATIONS	
15	Central Michigan University	\$ 69,515,822
16	Eastern Michigan University	75,024,792
17	Ferris State University	47,860,245
18	Grand Valley State University	43,841,270
19	Lake Superior State University	12,286,070
20	Michigan State University	274,352,270
21	Michigan Technological University	46,968,299
22	Northern Michigan University	45,270,582
23	Oakland University	41,191,043
24	Saginaw Valley State University	21,906,726
25	University of Michigan-Ann Arbor	309,454,933
26	University of Michigan-Dearborn	22,736,746
27	University of Michigan-Flint	19,376,427
28	Wayne State University	219,714,690
29	Western Michigan University	<u>106,358,017</u>
30	GROSS APPROPRIATION	\$ 1,355,857,932

1	Appropriated from:	
2	State general fund/general purpose	\$ 1,355,857,932
3	STATE BUILDING AUTHORITY RENT	
4	State building authority rent-universities	\$ <u>113,813,200</u>
5	GROSS APPROPRIATION	\$ 113,813,200
6	Appropriated from:	
7	Special revenue funds:	
8	State building authority-University of Michigan	
9	reimbursements	3,800,000
10	Sate general fund/general purpose	\$ 110,013,200
11	STATE AND REGIONAL PROGRAMS	
12	Agricultural experiment station	\$ 29,247,988
13	Cooperative extension service	25,190,364
14	Michigan molecular institute	164,697
15	Japan center for Michigan universities	350,000
16	Higher education database modernization and	
17	conversion	150,000
18	Midwestern higher education compact	<u>58,000</u>
19	GROSS APPROPRIATION	\$ 55,161,049
20	Appropriated from:	
21	State general fund/general purpose	\$ 55,161,049
22	MARTIN LUTHER KING, JR.-CESAR CHAVEZ-ROSA PARKS PROGRAM	
23	Select student supportive services	\$ 1,892,142
24	Michigan college/university partnership program	567,643
25	Visiting professors program	<u>159,459</u>
26	GROSS APPROPRIATION	\$ 2,619,244
27	Appropriated from:	
28	State general fund/general purpose	\$ 2,619,244
29	GRANTS AND FINANCIAL AID	
30	State competitive scholarships	\$ 31,642,317

1	Tuition grants	57,623,203
2	Michigan work study program	7,115,510
3	Part-time independent student program	2,576,967
4	Grant for Michigan resident dental graduates	4,484,821
5	Grant for general degree graduates	5,153,466
6	Grant for allied health graduates	830,042
7	Michigan education opportunity grants	2,024,180
8	Paul Douglas teacher scholarship program	500,000
9	Robert C. Byrd honors scholarship program	1,300,000
10	Tuition incentive program	1,000,000
11	Center for advanced technologies-engineering	
12	tuition reimbursement	4,000,000
13	GROSS APPROPRIATION	\$ 118,250,506
14	Appropriated from:	
15	Federal revenues:	
16	Higher education act of 1965, title IV, 20 U.S.C	2,300,000
17	Higher education act of 1965, title V, part E	500,000
18	Higher education act of 1965, title IV, part A	1,300,000
19	Federal temporary assistance for needy families	1,000,000
20	State general fund/general purpose	\$ 113,150,506

21 **GENERAL SECTIONS**

22 Sec. 201. Pursuant to section 30 of article IX of the state
23 constitution of 1963, total state spending from state sources for
24 fiscal year 1997-98 is estimated at \$1,640,601,931 in this bill and
25 state spending from state sources paid to local units of government for
26 fiscal year 1997-98 is estimated at \$4,592,000. Of the state spending
27 from state resources appropriated in section 101 for campus based and
28 other financial aid programs, it is estimated that \$4,592,000.00 are
29 local spending pursuant to section 30 of article IX of the state
30 constitution of 1963. The itemized statement below identifies
31 appropriations from which spending to units of local government will

1 occur:

2 GRANTS AND FINANCIAL AID

3	Part-time independent student program.....	\$	1,467,000
4	Michigan education opportunity grant.....		982,000
5	Michigan work study.....		<u>2,143,000</u>
6	Total.....	\$	4,592,000

7 (2) If it appears to the principal executive officer of a
 8 department or branch that state spending to local units of government
 9 will be less than the amount that was projected to be expended under
 10 subsection (1), the principal executive officer shall immediately give
 11 notice of the approximate shortfall to the department of management and
 12 budget.

13 Sec. 202. (1) For institutions with fiscal years ending June 30,
 14 1998, the sums appropriated in this bill are appropriated for their
 15 fiscal years ending June 30, 1998 and shall be paid out of the state
 16 treasury and distributed by the state treasurer to the respective
 17 institutions in 9 monthly installments for the period October 1, 1997
 18 to June 30, 1998 pursuant to Act No. 190 of the Public Acts of 1991,
 19 being sections 487.2101 to 487.2105 of the Michigan Compiled Laws. For
 20 an institution with a fiscal year ending September 30, 1998, the sums
 21 appropriated in this bill are appropriated for their fiscal year ending
 22 September 30, 1998 and shall be paid out of the state treasury and
 23 distributed by the state treasurer in 12 monthly installments for the
 24 period October 1, 1997 to September 30, 1998 pursuant to Act No. 190 of
 25 the Public Acts of 1991.

26 (2) The amount distributed to an institution shall not exceed the
 27 net appropriations plus additional distributions specifically
 28 authorized by this act.

29 (3) All universities shall submit higher education institutional
 30 data inventory (HEIDI) data and associated financial and program
 31 information requested by and in a manner prescribed by the state budget

1 director. For universities with fiscal years ending June 30, 1997,
2 these data shall be submitted to the department of management and
3 budget by October 15, 1997. Universities with a fiscal year ending
4 September 30, 1997 shall submit preliminary HEIDI data by November 15,
5 1997, and final data by December 15, 1997.

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

9 Sec. 203. Money received by the state from the federal government
10 or private sources for the use of a college or university is
11 appropriated for the purpose for which it was provided. The acceptance
12 and use of federal or private funds does not place an obligation upon
13 the legislature to continue the purposes for which the funds are made
14 available.

15 Sec. 204. 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. 205. All universities shall furnish all program and
20 financial information that is required by and in a manner prescribed by
21 the director of the department of management and budget or the house or
22 senate appropriations committee.

23 **GRANTS AND FINANCIAL AID**

24 Sec. 301. (1) Payments of the amounts included in section 101 for
25 the state competitive scholarship program shall be distributed pursuant
26 to Act No. 208 of the Public Acts of 1964, being sections 390.971 to
27 390.981 of the Michigan Compiled Laws.

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

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

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

12 (2) Tuition grant awards shall be made to all eligible Michigan
13 residents who apply before September 1, 1997, and who are qualified.
14 Tuition grant awards shall not be made to students newly enrolled in a
15 juris doctor law degree program after the 1995-96 academic year.

16 (3) The Michigan higher education assistance authority shall
17 determine an actual maximum tuition grant award per student that
18 ensures that the aggregate payments for the tuition grant program do
19 not exceed the appropriation contained in section 101 for the state
20 tuition grant program. By October 15, 1997, and again by December 15,
21 1997, the authority shall analyze the status of award commitments,
22 shall make any necessary adjustments, and shall confirm that those
23 award commitments will not exceed the appropriation contained in
24 section 101 for the tuition grant program. The determination and
25 actions shall be reported to the department of management and budget
26 and the house and senate fiscal agencies no later than December 15,
27 1997. If award adjustments are necessary, the students shall be
28 notified of the adjustment by the third Monday in January.

29 (4) Any unexpended and unencumbered funds remaining on September
30 30, 1998 from the amounts appropriated in section 101 for the tuition
31 grant program shall not lapse on September 30, 1998, but shall continue

1 to be available for expenditure for tuition grants provided in the
2 1998-99 fiscal year. The use of these unexpended fiscal year 1997-98
3 funds shall terminate at the end of the 1998-99 fiscal year.

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

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

18 (2) The Michigan higher education assistance authority shall
19 allocate funds to institutions eligible for work study money based upon
20 each institution's specific Pell grant index and each institution's
21 utilization rate of work study funds for the 3 most recent years for
22 which statistics are available.

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

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

1 section 1(1) of Act No. 75 of the Public Acts of 1974, being section
2 390.1021 of the Michigan Compiled Laws, except doctor of dental
3 surgery, doctor of dental medicine, juris doctor law, and allied health
4 degrees.

5 (2) The reimbursement rate per eligible degree shall be the
6 equally prorated amount permitted by the appropriation, except that the
7 amount of the reimbursement for each associate degree shall be $\frac{1}{2}$ of the
8 rate of reimbursement for the other degrees eligible under subsection
9 (1) for the general degree reimbursement program.

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

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

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

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

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

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

28 Sec. 307. The auditor general shall audit selected enrollments,
29 degrees, and awards at selected independent colleges and universities
30 receiving awards administered by the department of treasury. The
31 audits shall be based upon definitions and requirements established by

1 the department of management and budget and the senate and house fiscal
2 agencies. The auditor general shall submit a report of findings to the
3 senate and house appropriations committees not later than May 1, 1998.

4 Sec. 308. The sums appropriated in section 101 for the student
5 financial aid and degree reimbursement programs shall be paid out of
6 the state treasury and shall be distributed to the respective insti-
7 tutions in accordance with a quarterly payment system as follows:

8 (a) For the state competitive scholarship, tuition incentive, and
9 tuition grant programs, 40% shall be paid at the beginning of the
10 state's first fiscal quarter, 40% at the beginning of the state's
11 second fiscal quarter, 10% at the beginning of the state's third fiscal
12 quarter, and 10% at the beginning of the state's fourth fiscal quarter.

13 (b) For the work-study program, payments shall be made in 9
14 monthly installments from October 1 to June 30 of any year.

15 (c) For the part-time independent student program and Michigan
16 education opportunity grant program, 50% shall be paid at the beginning
17 of the state's first fiscal quarter, 25% at the beginning of the
18 state's second fiscal quarter, and 25% at the beginning of the state's
19 third fiscal quarter.

20 (d) For the general degree reimbursement program, allied health
21 degree reimbursement program, Michigan resident dental grant program,
22 Robert C. Byrd honors scholarship program, and Paul Douglas teacher
23 scholarship program, 50% shall be paid at the beginning of the state's
24 first fiscal quarter and 50% at the beginning of the state's second
25 fiscal quarter after the number of earned degrees conferred and total
26 amounts to be paid are certified.

27 Sec. 309. The Michigan higher education assistance authority
28 shall determine the needs analysis criteria for students to qualify for
29 the competitive scholarship program and tuition grant program. To be
30 consistent with federal requirements, student wages may be taken into
31 consideration when determining the amount of the award.

1 Sec. 310. (1) The funds appropriated in section 101 for the
2 tuition incentive program/high school completion program shall be
3 distributed as provided in this section and pursuant to the
4 administrative procedures for the tuition incentive program/high school
5 completion program of the family independence agency.

6 (2) As used in this section:

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

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

13 (c) "Department" means the family independence agency.

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

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

18 (i) Apply for certification to the department before graduating
19 from high school or completing the general education development (GED)
20 certificate.

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

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

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

28 (b) To be eligible for phase II, a person shall meet either of the
29 following criteria in addition to the criteria in subdivision (a):

30 (i) Complete at least 56 transferable semester or 84 transferable

1 term credits.

2 (ii) Obtain an associate degree or certificate at a participating
3 institution.

4 (c) To be eligible for phase I or phase II, a person must be
5 financially eligible as determined by the department. A person is
6 financially eligible for the tuition incentive program if that person
7 was medicaid eligible for 24 months within the 36 months before
8 application. Certification of eligibility may begin in the sixth grade
9 and continue until the time of enrollment in a participating
10 institution.

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

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

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

19 (b) For persons enrolled at a Michigan community college, the
20 department shall pay the current in-district tuition and mandatory
21 fees. For persons residing in an area that is not included in any
22 community college district, the out-of-district tuition rate may be
23 authorized.

24 (c) For persons enrolled at a Michigan public university, the
25 department shall pay lower level resident tuition and mandatory fees
26 for the current year.

27 (d) For persons enrolled at a Michigan independent, nonprofit
28 degree granting college or university or a Michigan federal tribally
29 controlled community college, the department shall pay mandatory fees
30 for the current year and a per credit payment that does not exceed the
31 average community college in-district per credit tuition rate as

1 reported on August 1, for the immediately preceding academic year.

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

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

7 (b) The tuition reimbursement is for course work completed within
8 30 months of completion of the phase I requirements.

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

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

15 (9) Applications for the tuition incentive program may be approved
16 at any time after the student begins the sixth grade. If a
17 determination of financial eligibility is made, that determination is
18 valid as long as the student meets all other program requirements and
19 conditions.

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

24 (11) The department shall ensure that the tuition incentive
25 program is well publicized and that potentially eligible Medicaid
26 clients are provided information on the program. The department shall
27 provide the necessary funding and staff to fully operate the program.

28 (12) When statutory provisions are enacted to provide for a
29 tuition incentive program/high school completion program, the
30 provisions of this section are superseded.

31 Sec. 311. To enable the legislature to evaluate the appropriation

1 needs of higher education, each independent college and university
2 shall make available to the legislature, upon request, data regarding
3 grants for the preceding, current, and ensuing fiscal years.

4 Sec. 312. The funds appropriated in section 101 for the center
5 for advanced technologies-engineering program provided in conjunction
6 with the coalition for new manufacturing education are designated to
7 focus:hope to reimburse the costs of the manufacturing based education.

8 **STATE UNIVERSITIES**

9 Sec. 401. (1) Included in section 101 is \$5,616,145.00 to Wayne
10 State University for the Joseph F. Young, Sr. psychiatric research and
11 training program. Wayne State University shall use these funds for
12 psychiatric laboratory and clinical research, training, and treatment
13 services. Within the available appropriation, services shall not be
14 denied to any patient who meets established research guidelines for
15 treatment on the basis of personal financial circumstances, age,
16 geographic residence, or projected/actual length of treatment as
17 medically warranted.

18 (2) Wayne State University shall report the following information
19 to the department of community health by November 1, 1998:

20 (a) The number and type of psychiatric research projects funded by
21 the appropriation described in subsection (1).

22 (b) The number and type of students trained and the location of
23 training funded by the appropriation.

24 (c) Demographic data regarding the number and profile of patients
25 to receive psychiatric services funded by the appropriation and a
26 profile of the services provided.

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

29 (3) Copies of these reports shall also be provided to the house
30 and senate fiscal agencies and the department of management and budget.

31 Sec. 402. Included in section 101 is funding to support moderni-

1 zation and conversion of the state's higher education databases. The
2 department of management and budget, in consultation with the house
3 fiscal agency and senate fiscal agency, shall have the responsibility
4 of effecting the conversion. The conversion shall include all federal
5 and state collected higher education data.

6 Sec. 403. From the funds appropriated in section 101, each state
7 university shall establish a system to track students that graduate
8 from the university. The system shall minimally provide information on
9 the students' field of study and year of graduation, whether they are
10 employed or continuing their education, the field in which they are
11 employed or their subsequent field of academic study, their job title,
12 their salary, and their city, town, or other place of residence.

13 Sec. 404. The appropriation in section 101 for state building
14 authority rent is the estimated rent cost for state university projects
15 and is to fund the grant for state building authority rent contained in
16 the capital outlay appropriations for the fiscal year ending September
17 30, 1998.

18 Sec. 405. The University of Michigan shall take the necessary
19 actions to ensure that eligible interest reimbursements from medicare
20 and medicaid programs are made available to the state to satisfy part
21 of the amount appropriated for the University of Michigan adult general
22 hospital facility rent appropriation of \$27,917,000.00 contained within
23 the state building authority rent appropriation in sections 101. To
24 the extent of a difference between the estimated and actual amount
25 received, there is appropriated from the general fund of the state the
26 amounts necessary to satisfy the hospital rental requirements of the
27 state building authority's 1986 revenue refunding bonds, Series I. To
28 the extent payments made to the state by the University of Michigan are
29 required to be reimbursed pursuant to the agreement with the University
30 of Michigan, there is appropriated from the general fund the amount
31 necessary for such reimbursement.

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

2 Sec. 501. (1) Included in the appropriation for each public
3 university in section 101 is funding for the Martin Luther King, Jr.-
4 Cesar Chavez-Rosa Parks future faculty program, that is intended to
5 increase the pool of minority candidates pursuing full-time faculty
6 teaching careers in postsecondary education in this state.

7 (2) The program shall be administered by each university in a
8 manner prescribed by the office of equity in the Michigan department of
9 education.

10 Sec. 502. (1) Included in the appropriation for each public
11 university in section 101 is funding for the Martin Luther King, Jr.-
12 Cesar Chavez-Rosa Parks college day program that is intended to
13 introduce school children underrepresented in postsecondary education
14 to the potential of a college education.

15 (2) Individual program plans of each university shall include a
16 budget of equal contributions from this program, the participating
17 public university, the participating school district, and the
18 participating independent degree granting college. College day funds
19 shall not be expended to cover indirect costs. Not more than 20% of
20 the university match shall be attributable to indirect costs.

21 (3) The program shall be administered by each university in a
22 manner prescribed by the office of equity in the Michigan department of
23 education.

24 Sec. 503. (1) Included in section 101 is funding for the Martin
25 Luther King, Jr.-Cesar Chavez-Rosa Parks select student support
26 services program for developing academically and economically
27 disadvantaged student retention programs for 4-year public and
28 independent educational institutions in this state.

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

1 (3) The program shall be administered by the office of equity in
2 the Michigan department of education.

3 Sec. 504. (1) Included in section 101 is funding for the Martin
4 Luther King, Jr.-Cesar Chavez-Rosa Parks linkage program between 4-year
5 universities and public community colleges, which is intended to
6 increase the number of underrepresented minority students who transfer
7 from community colleges into baccalaureate programs.

8 (2) The grants shall be made under this program to Michigan public
9 universities. An award to any 1 institution shall not be greater than
10 \$150,000.00, and the amount awarded shall be matched on a 70% state,
11 30% university basis.

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

14 Sec. 505. (1) Included in the appropriation in section 101 is
15 funding for the Martin Luther King, Jr.-Cesar Chavez-Rosa Parks
16 visiting professors program which is intended to increase the number of
17 minority instructors in the classroom and provide role models for
18 underrepresented minority students.

19 (2) The program shall be administered by the office of equity in
20 the Michigan department of education.

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

22 Sec. 601. (1) From the amount appropriated in section 101 for
23 state universities, the state universities shall systematically inform
24 Michigan high schools regarding the academic status of students from
25 each high school in a manner prescribed by the presidents council,
26 state universities of Michigan in cooperation with the Michigan
27 association of secondary school principals.

28 (2) The Michigan high schools shall systematically inform the state
29 universities about the use of information received under this section
30 in a manner prescribed by the Michigan association of secondary school
31 principals in cooperation with the presidents council, state

1 universities of Michigan.

2 **GENERAL REPORTS AND AUDITS**

3 Sec. 701. (1) The auditor general shall audit enrollments at 5
4 randomly selected public universities. The audits shall be based upon
5 the definitions and requirements established by the department of
6 management and budget and the senate and house fiscal agencies. The
7 audits shall be based on uniform reporting categories and shall include
8 higher education institutional data inventory (HEIDI) data. The
9 auditor general shall submit a report of findings to the house and
10 senate appropriations committees no later than March 1, 1998.

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

12 (a) Student credit hours generated through correspondence courses,
13 credit by examination, or inmate prison programs regardless of teaching
14 location.

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

19 (i) Represent new options, fields, or concentrations within
20 existing programs.

21 (ii) Are consistent with the current institutional role and
22 mission.

23 (iii) Are accommodated within the continuing funding base of the
24 institution.

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

28 (v) Do not require funding from the state other than that provided
29 by the student credit hours generated within the program, either before
30 program initiation or within the first 3 years of program operation.

1 Sec. 702. The principal executive officer of each institution of
2 higher education receiving an appropriation under this act shall expend
3 a portion of the funds appropriated to that institution to make a
4 report to the auditor general, the house and senate fiscal agencies,
5 and the department of management and budget within 60 days after the
6 auditor general issues his or her annual report on the operation of the
7 institution. The institution's report shall specify all of the
8 following:

9 (a) The recommendations of the auditor general implemented by the
10 institution, including projected dates and resources required, if any,
11 to achieve compliance.

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

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

16 Sec. 703. (1) Each state university shall annually submit a report
17 to the department of management and budget and house and senate fiscal
18 agencies on efforts to ensure the English language oral proficiency of
19 teaching faculty.

20 (2) The next reporting date for the report under subsection (1) is
21 November 1, 1997.

22 Sec. 704. (1) Each state university shall report the following
23 information for the 1996-97 academic year to the house and senate
24 fiscal agencies and the department of management and budget:

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

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

29 (i) Ranked faculty.

30 (ii) Unranked faculty.

1 (iii) Graduate assistants.

2 (2) For the purposes of this section, "ranked faculty", "unranked
3 faculty", and "graduate assistants" mean those terms as defined in the
4 higher education institutional data inventory (HEIDI).

5 (3) This information shall be provided on or before October 31,
6 1997.

7 Sec. 705. The auditor general shall conduct not less than 3
8 performance audits of the state universities during the fiscal year
9 ending September 30, 1998.