



Senate Fiscal Agency
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FY 2003-04 Year-to-Date Gross Appropriation \$108,431,200

Changes from FY 2003-04 Year-to-Date:

Items Included by the Senate and House

- 1. **MEAP Transferred to DOE.** Executive Order 2003-20 transferred the Michigan Educational Assessment Program back to the Department of Education from Treasury. 24,300,500
- 2. **Federal Funding Adjustments.** Technical adjustments in Federal funding are included to match available anticipated revenues from the U.S. Department of Education. (18,303,400)
- 3. **Balance of Driver's Ed Program Eliminated.** EO 2003-23 eliminated State grants for the Driver's Education program; this eliminates the \$1,500,000 retained to pay contracts. (1,500,000)
- 4. **Employee-Related Savings.** A total of \$1,079,800 Gross, \$141,300 GF/GP is reduced for yet-to-be negotiated employee-related savings. (1,079,800)
- 5. **Transfer Driver's Ed Administrative Funding to Department of State.** With EO 2003-23 mentioned above, the administrative funding supporting FTEs in the Department of Education is transferred to the Department of State, which collects driver's license fees. (528,000)
- 6. **Technical Adjustment for School Breakfast Funding.** Due to more precise data for estimates, School Breakfast funding is reduced \$345,100 GF/GP. (345,100)
- 7. **Miscellaneous FTE Issues.** \$276,200 is appropriated to support both the MEAP Chief Assessment Officer and the NAEP Coordinator. Human resources optimization savings and partially offsetting user charges total \$19,600. 256,600
- 8. **Information Technology (IT) Budgetary Savings and Services Reduction.** The IT line is reduced \$136,100 Gross, and \$200,200 GF/GP as a combination of budgetary savings and corresponding services reductions. (136,100)
- 9. **Economic Adjustments.** \$4,246,000 Gross, \$675,600 GF/GP for economics is included. 4,246,000
- 10. **Other Changes.** Other items total an increase of \$211,500 Gross, \$0 GF/GP. 211,500

Conference Agreement on Items of Difference

- 11. **School Breakfast.** The Conference Committee concurred with the House and Revised Executive Recommendation for a \$2,000,000 reduction in this line item under the presumption that the line may be over funded. (2,000,000)
- 12. **Travel.** The Conference Committee concurred with the House not to include \$409,250 in travel reductions included by the Senate. 0
- 13. **National Board Certification Grants.** The Conference Committee concurred with the House to retain funding for these grants, which had been eliminated by the Senate. 0
- 14. **State Board of Ed Per Diem Payments.** The Conference Committee concurred with the House to retain funding for these payments, which had been eliminated by the Senate. 0
- 15. **Other Changes.** The Conference Committee includes various minor revised Exec. Rec. adjustments, a target DIT reduction of \$14,200, and an increase of \$10,000 local revenues to administer the Sex Education legislation, netting a \$4,400 reduction. (4,400)

Total Changes..... \$5,117,800

FY 2004-05 Conference Report Gross Appropriation \$113,549,000

Amount Over/(Under) GF/GP Target: \$0

Changes from FY 2003-04 Year to Date:Items Included by the Senate and House

1. **Safe School Program.** The Senate bill inserts a new directive for the Safe School Program to advance, promote, and encourage the awareness and use of the State Police antiviolence hotline. (Section 208)
2. **Special Education Auditor.** The Governor proposes to eliminate language that earmarks funds in Part 1 for the support of a special education auditor, and the Senate bill concurs. (current law Section 211)
3. **Receive and Retain Copies of Reports.** The Governor and Senate bill propose to eliminate the section requiring the Department to receive and retain copies of all reports funded from appropriations in Part 1. (current law Sec 214)
4. **Privatization Language.** The Governor proposes to eliminate privatization language which was standard across most agency budgets, and the Senate bill concurs. (current law Section 215)
5. **Depressed and Deprived Communities.** The Governor proposes elimination of language directing the Department to take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services and supplies. The Senate bill restores the section. (Section 216)
6. **Certification Programs.** The bill inserts new language directing the Department to split its funding of the WSU Limited License to Instruct Program between WSU and CMU's Alternative Route to Certification program. (Sec. 503)
7. **MEAP.** The Governor and Senate bill insert a new section stating that the Department shall provide tests to nonpublic schools and home-schooled students upon request, and shall notify nonpublic schools they are eligible to receive the tests. The new section further requires the release of test results at the same time to all private schools and public school districts taking the tests, and that the results of each test shall include an item analysis. (Sec. 901)

Conference Agreement on Items of Difference

8. **Personal Service Contracts.** The Conference Committee removes the current law restriction of one contractor and one contract per fiscal year, but retains the \$10,000 cap on contracts awarded without competitive bids. (Sec. 214)
9. **Travel Restrictions.** The Conference Committee includes standard target language for travel. (Sec. 215)
10. **Hiring Freeze.** The Governor proposes to eliminate the section providing guidelines for the hiring freeze. The Senate bill restores hiring freeze language with exemptions for filling retiree vacancies, prevention of loss of Federal funds where Federal law mandates corresponding employees, and mandated employees. The Conference Committee agrees with the Governor to eliminate the section. (Section 217)
11. **Auditor General Costs.** The Conference Committee concurs with the Senate to include a section requiring the Department to use Federal funds as allowable to pay audit costs. (Sec. 218)
12. **Contingency Funds.** The Conference Committee does not concur with the House to include this section.(Sec. 218)
13. **State Board of Ed Per Diems and Travel.** The Conference Committee concurs with the House to restore funding to current year levels for State Board per diems, and retains a prohibition on out-of-state Board travel. (Sec. 301)
14. **Before- and After-School Programs.** The Conference Committee does not concur with the Senate to include a new section requiring the Department to use up to \$2,000,000 in Part 1 funds for these programs. (Sec. 704)
15. **National Board Certification Grants.** The Conference Committee concurs with the House to retain current year language awarding grants for one-half of the cost to teachers for applying for National Board certification. (Sec. 704)

Date Completed: 9-7-04

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