



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



Telephone: (517) 373-2768
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 1085 (S-1, as reported)
Committee: Appropriations

FY 2005-06 Year-to-Date Gross Appropriation	\$117,475,600
Changes from FY 2005-06 Year-to-Date:	
1. Assessment Testing. The Governor and this substitute transferred funding for the Michigan Educational Assessment Program (MEAP) contracts (not FTEs) to the K-12 budget, supported with School Aid Fund revenues instead of Merit Award Trust Funds.	(24,784,500)
2. School Breakfast. The Governor and this substitute transferred funding for the School Breakfast program to the K-12 budget, supported with SAF instead of GF/GP dollars.	(9,625,000)
3. Unspecified Federal and Private Grants. The Executive budget and this substitute included a new line appropriating \$2.0 million Federal and \$1.0 million Private funds in anticipation of the Department being awarded grants throughout the year.	3,000,000
4. International Baccalaureate (IB) Competitive Grants. This substitute included a new section allocating \$50,000 GF for competitive grants to fund IB program startup costs.	50,000
5. Additional Staff at the Michigan Schools for the Deaf and Blind (MSDB). The Governor's budget and this substitute included 8.0 FTEs supported with Federal funds at the MSDB due to increasing enrollments.	560,000
6. System Upgrades and Additional Analyst. The Executive and this substitute included \$107,000 GF to upgrade the school aid payment system, \$64,000 GF for an analyst to monitor district budgets and spending plans, and \$100,000 in restricted Certification Fees to begin planning for the teacher licensure database rewrite.	271,000
7. Adjustments in Federal Administrative Dollars. The Governor and this substitute included adjustments in Federal testing dollars (\$1,694,400) and in 21 st Century Community Learning Centers (\$66,300) and Special Education Preschool (\$201,700).	1,962,400
8. Program Eliminations. The Executive eliminated restricted funding for the CMU's Alternative Route to Certification (ARC) (\$75,000) and for the Middle School Math Project (\$100,000). This substitute restored the programs, added \$50,000 for ARC, and \$125,000 for WSU's Limited License to Instruct program.	175,000
9. Michigan History Day. This substitute funded \$25,000 GF for the Department of History, Arts, and Libraries to work with the Michigan Historical Society to support MI History Day.	25,000
10. Administrative Reductions. The Governor reduced State Board/Superintendent Operations by \$25,000 GF and Central Support by \$95,000 GF. This substitute concurred, and further eliminated \$350,000 GF that, in the current year, was earmarked for a best practices in education study, but had no earmark for FY 2006-07.	(470,000)
11. Economic Adjustments. The Governor's budget included agency economic adjustments of \$1,205,700 Gross, \$119,500 GF, and DIT economics of \$81,800 Gross, \$27,800 GF.	1,287,500
12. Other Items. Human resources user charges were reduced by \$6,200 Gross and GF. The MEAP test center was transferred in from Treasury (\$119,300 Federal), and the Educator on Loan program was increased \$400,000 Federal.	513,100
13. Comparison to Governor's Recommendation. This substitute is \$75,000 Gross above and \$86,900 GF/GP below the Governor's recommendation.	
Total Changes	(\$27,035,500)
FY 2006-07 Senate Appropriations Committee Gross Appropriation.....	\$90,440,100

Changes from FY 2005-06 Year to Date:

1. **"Whistleblower" Protection.** The Governor removed a section prohibiting the Department from taking disciplinary action against an employee for communicating with the Legislature. This substitute retained the section. (Sec. 215)
2. **Auditor General (AG) Costs.** The Governor's budget removed a section requiring the Department to pay within 60 days bills from the AG whose costs were incurred auditing Federally funded programs. This substitute retained the section. (Sec. 217)
3. **Automated External Defibrillators (AED).** This substitute included a new section encouraging the Department to provide information on AED use and benefits to districts, and to work to secure a bulk-purchase contract pursuant to Section 99c of the School Aid Act. (Sec. 218)
4. **Contingency Funds.** The Executive budget recommended a new section appropriating \$5,000,000 in Federal contingency funds, \$700,000 in State restricted contingency funds, \$250,000 in Local contingency funds, and \$3,000,000 for Private contingency funds. This substitute did not concur or include the section.
5. **K-16 Potential Reductions.** This substitute added a section requiring the Department to list potential GF/GP cuts if the K-16 ballot initiative is adopted. (Sec. 219)
6. **Out-of-State Travel for State Board of Education Members.** Current language allowed out-of-state travel only if it's directly related to the duties of the Board. The Governor proposed to expand this restriction to in-State travel also. This substitute concurred with the Governor. (Sec. 302)
7. **Study of Best Practices Language.** The Executive budget removed language earmarking \$350,000 for a study of best practices to advise the Legislature and Governor on these matters. However, the funds (first added in FY 2005-06) remain in the State Board/Superintendent Operations line for FY 2006-07. This substitute concurred with the Governor and further removed the funds from part 1.
8. **Michigan History Day.** This substitute included a new section earmarking \$25,000 from State Board/Superintendent Operations to be allocated to the Department of History, Arts, and Libraries to work with the Michigan Historical Society for support of Michigan History Day. Funds may be used for teacher training, in-services, dissemination of History Day information, and support of the annual competition. (Sec. 303)
9. **Capital Improvement Spending at the Mid-Michigan Leadership Academy (MMLA).** The Governor's budget and this substitute removed a section of current law allowing the Department to receive and expend funds from the MMLA for capital improvements, and informing the fiscal agencies and budget office of expenditures. (Current law Sec. 409)
10. **Michigan School for the Blind (MSB) Former Site.** The Executive and this substitute recommended eliminating a section of current law, which requires a report on expenditures at MSB. (Current law Sec. 410)
11. **Alternative Route to Certification at CMU.** Reflecting the reduction in Part 1, the Governor's budget removed a section earmarking \$75,000 to CMU for the Alternative Route to Certification Program. However, this substitute restored and further increased by \$50,000 the funding to CMU and thus retains the section. Further, \$125,000 is earmarked for the Limited License to Instruct program at WSU. (Sec. 503)
12. **School Breakfast Program.** Two sections concerning the School Breakfast program were removed in the Executive budget and in this substitute for DOE, since the program is transferred to the School Aid budget. (Current law Sections 701 and 702)
13. **Middle School Math Project.** Reflecting the reduction in Part 1, the Governor's budget removed a section allocating \$50,000 to both the Michigan Virtual High School and WSU for the purpose of providing professional development for middle school math teachers or for the development or enhancement of middle school math curriculum. This substitute restored funding and retained the section, and renumbered it from current law 703 to 504. (Sec. 504)
14. **Reporting of Federal and Private Grants Received.** A new section was recommended by the Executive and in this substitute requiring the DOE to report within 10 days of receiving a grant appropriated in the new Federal and Private Grants line in Part 1. The DOE shall notify the House and Senate chairs of the appropriation subcommittees of the receipt of the grant, including the funding source, purpose and amount of the grant. (Sec. 901)
15. **International Baccalaureate Grants.** This substitute included a new section allocating a total of \$50,000 for competitive grants to support startup costs associated with the IB program. Grants awarded are not to exceed \$25,000 each. (Sec. 902)

Date Completed: 3-23-06

Fiscal Analyst: Kathryn Summers-Coty