

Summary: House Bill 4346 (H-1)
As passed Committee
DEPT OF EDUCATION
FY 2007-08



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	FY 2006-07 YTD	FY 2007-08 Revised Executive	FY 2007-08 House	FY 2007-08 Senate	FY 2007-08 Enacted	Difference: House From FY 2006-07 YTD	
						Amount	%
IDG/IDT	\$0	\$0	\$0			\$0	0.0
Federal	67,570,600	72,749,800	72,749,800			5,179,200	7.7
Local	5,985,600	6,448,900	6,448,900			463,300	7.8
Private	2,914,400	3,171,800	3,171,800			257,400	8.9
Restricted	7,527,000	7,836,500	7,236,500			(290,500)	(3.9)
GF/GP	6,592,500	7,257,800	8,187,900			1,595,400	24.2
Gross	\$90,590,100	\$97,464,800	\$97,794,900			\$7,204,800	8.0
FTEs	435.5	466.5	473.5			38.0	8.8

Note: FY 2006-07 figures include the results of supplementals and Executive Order (EO) actions through March 1, 2007.

Overview

The State Board of Education is an eight-member elected board constitutionally mandated to provide leadership and supervision for public education in Michigan. The Michigan Department of Education (MDE) is the administrative arm of the Board charged with implementing state and federal educational mandates and administering programs. Major responsibilities of the MDE include developing and overseeing the K-12 school system, certifying teachers, disbursing funds to educational organizations, and providing technical assistance to school districts.

Major Budget Changes From FY 2006-07 YTD Appropriations

1. Career and Technical Education (CTE) Operations

Appropriates over \$4.2 million to a new CTE operations line and several others to recognize the transfer of the unit from the Department of Labor and Economic Growth to the MDE.

FTEs	25.0	25.0
Gross	\$4,220,100	\$4,220,100
Federal	3,542,800	3,542,800
GF/GP	\$677,300	\$677,300

2. Professional Preparation Services

Assumes an additional \$1,558,400 from a proposed increase in teacher certification fees and new teacher college review fees (HB 4591), as well as a one time addition of \$200,000 available from the carry forward of teacher testing fees.

Gross	\$5,826,800	\$1,158,400
Federal	2,687,300	0
Restricted	3,139,500	1,158,400
GF/GP	\$0	\$0

\$904,400 of the additional revenue would fund the upgrade and conversion of the teacher licensing database. The balance of the certification fee revenue would shore up this revenue stream, which is no longer expected to meet its current appropriation levels. \$54,000 would reimburse the department for reviewing teacher college programs.

The House also includes \$200,000 to maintain the CMU and WSU alternative teacher certification programs.

3. School Employee Salary and Benefit Study

The House includes \$150,000 in the state board/superintendent operations line for a study to compare Michigan school employee salaries and benefits, focusing on school administrators, to those in peer states and with the private sector.

Gross	\$0	\$150,000
GF/GP	\$0	\$150,000

<u>Major Budget Changes From FY 2006-07 YTD Appropriations</u>		FY 2006-07 YTD	House Change From YTD
4. Consolidation		FTEs 21.0	2.0
The House includes \$300,000 and 2.0 FTEs in School Finance and School law operations to support the department's effort to study, encourage and determine the impact of consolidation.		Gross \$2,891,400	\$300,000
	Federal	1,385,800	0
	Restricted	513,500	0
	GF/GP	\$992,100	\$300,000
5. Early Childhood Education		FTEs 25.0	4.0
The House includes \$400,000 and 4 FTEs to support the new early childhood programming included in the School Aid budget.		Gross \$4,372,200	\$400,000
	Federal	3,186,800	0
	Private	187,700	0
	Restricted	57,400	0
	GF/GP	\$940,300	\$400,000
6. Education Technology and Data Coordination		FTEs 0.0	8.7
The Executive shifts \$800,300 and 7.7 FTEs from several units within the department to a new Education Technology and Data Coordination unit.		Gross \$0	\$800,400
	Federal	0	800,300
	GF/GP	\$0	\$100
The House adds a \$100 placeholder and 1.0 FTE to support the new 21 st Century Learning Environment Initiative which has a placeholder in the School Aid budget.			
7. Special Education Operations		Gross \$11,416,700	\$80,000
The House adds \$80,000 to the line so the Department can make Newsline, a news service for those with disabilities, electronically available statewide.		Federal 10,972,800	0
	Private	104,800	0
	Restricted	38,400	0
	GF/GP	\$80,000	\$80,000
8. Michigan School for the Deaf and Blind (MSDB)		FTEs 96.0	103.0
Includes the addition of 7.0 FTEs at the MSDB in anticipation of growth in student membership as well as an increase for summer programs at the school and at Camp Tuhsmeheeta: additional \$973,400 in Federal, Local and Private revenues.		Gross \$11,893,900	\$973,400
	Federal	5,375,400	469,300
	Local	5,804,700	259,100
	Private	495,200	245,000
	Restricted	218,600	0
	GF/GP	\$0	\$0
9. Lansing School for the Blind – Former Site		Gross \$1,821,100	(\$1,821,100)
Reflects the sale of the Lansing School for the Blind and the elimination of \$1,821,100 in lease revenue and maintenance costs associated with the property.		Federal 1,811,100	(1,811,100)
	Private	10,000	(10,000)
	GF/GP	\$0	\$0
10. Economics		Gross N/A	\$1,704,000
Provides a gross increase of \$1,704,000 (\$189,600 GF/GP) for economic increases in salaries and wages, retirement, insurance, workers compensation, and building occupancy charges.		Federal N/A	1,211,000
	Local	N/A	167,100
	Private	N/A	22,400
	Restricted	N/A	113,900
	GF/GP	N/A	\$189,600

Major Boilerplate Changes From FY 2006-07

Sec. 215. Departmental Employee Contact with Legislature – REVISED

Prohibits disciplinary action against a department employee for communicating with a Legislator or his or her staff. Executive deletes. House revises to specify "communicates truthfully and factually."

Sec. 217. Auditor General Bills - DELETED

Requires Department pay Auditor General bills within 60 days for costs incurred while conducting audits of federally funded programs. Executive and House delete.

Sec. 220. Timely Data – DELETED

Requires Department to provide data requested by Legislature, staff, and fiscal agencies in a timely manner. Executive and House delete.

Sec. 221. Contingency Funds – NEW

Appropriates up to \$5.0 million in Federal contingency funds, up to \$700,000 in State restricted contingency funds, up to \$250,000 in private contingency funds, and \$3.0 million in local contingency funds. Executive and House add.

Sec. 222. School Employee Salary and Benefits Study – NEW

Appropriates up to \$150,000 for a study of school employee salaries and benefits, focusing on school administrators and including comparisons to peer states and private sector. House adds.

Sec. 350. Newsline – NEW

Appropriates \$80,000 from the Special Education Operations line to make Newsline electronically available statewide.

Sec. 403. Michigan School for the Blind-Lansing Site – DELETED

Allows for leasing the property. This section is no longer needed as the property was recently sold. Executive and House delete.

Sec. 503. Teacher Preparation Programs – REVISED

Provides \$100,000 for CMU alternative route to certification program and WSU pathways to teaching program. Executive deletes. House maintains appropriation but adds a report requirement including number of teachers certified, time served in the classroom, and teacher evaluations.

Sec. 801. Consolidation - NEW

Appropriates \$300,000 and 2.0 FTEs to support the department's efforts to study, encourage, and determine the impact of consolidation.