



Senate Fiscal Agency
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BILL ANALYSIS

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FY 2008-09 Year-to-Date Gross Appropriation	\$1,024,635,800
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Changes from FY 2008-09 Year-to-Date:

Items Included by the House and Senate

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| 1. Internal Fund Shifts. The Governor, House, and Senate recommended fund shifts between budgetary units to address U.S. Department of Education concerns over the use of Federal funds. The net impact is the addition of \$47,700 GF/GP. | 47,700 |
| 2. Administrative Efficiencies. The Governor, House, and Senate reduced Federal funding in the Office of Educational Assessment and Accountability. | (247,400) |
| 3. Economic Adjustments. Standard economic adjustments were made of which \$57,100 was GF/GP. | 821,100 |
| 4. Other Changes. The Governor, House, and Senate made other adjustments including: increase for annualization of prior year adjustments (\$162,000); statewide Microsoft upgrade (\$69,300); elimination of private rent paid (\$200,000); transfer internal audit funding to DMB (\$100,000); reduction to teacher tenure case funding (\$26,800); shift of Longitudinal Study funding to School Aid budget (\$20,900); reduction in subject area content expectations (\$20,000); reduction in DIT virtual storage costs (\$18,200); DIT economics (\$44,900); and DIT administrative reduction (\$3,900). | (113,300) |
| 5. One-time Adjustments. Adjustments made to account for one-time FY08-09 changes. | (924,644,500) |

Conference Agreement on Items of Difference

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| 6. State Aid to Libraries. Conference reduced State Aid to libraries by 40%. | (4,000,000) |
| 7. 10% Reduction to MDE Operations. Conference included the following cuts to achieve roughly a 10% reduction to GF throughout the MDE: \$130,100 in State Board/Superintendent Operations; 21 st Century Schools Staff at \$250,000; Grants Administration staff at \$112,100; and numerous other staff adjustments. | (864,800) |
| 8. Alternative Teacher Certification Programs. The Governor eliminated \$200,000 in restricted fund earmarks for the Central Michigan University and Wayne State University programs. The Conference concurred. | (200,000) |
| 9. National Board Certification. The Governor eliminated \$100,000 in restricted fund grants for teachers seeking certification. The Conference concurred. | (100,000) |
| 10. Library of Michigan and State Aid to Libraries. The House included the Governor's recommendations to fund pieces of HAL in MDE; the Senate didn't. Conference included Library Operations and State Aid to Libraries, though at reduced rates. Notably, State Aid to Libraries was reduced 40% (or \$4.0 million GF) and Library of Michigan Operations were reduced 10% (or \$511,300 GF). Book distribution centers were funded at \$200,000; in FY 2008-09, they were funded at \$360,000. | 16,358,800 |
| 11. Other. Other changes totaling \$1,178,200 were included, most of which were accounted for by an increase in Building Occupancy Charges associated with moving Library of Michigan Operations into the MDE budget (\$1,086,600). | 1,178,200 |

Total Changes.....	(\$911,764,200)
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FY 2009-10 Conference Report Gross Appropriation	\$112,871,600
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Amount Over/(Under) GF/GP Target: \$0

Changes from FY 2008-09 Year to Date:Items Included by the House and Senate

1. **Language Removed from All Department Budgets.** The Governor removed language sections from all budgets: disciplinary action (Sec. 216); and legislative data requests (Sec. 220). The House and Senate restored the language.
2. **Publication of List of Schools Not Meeting AYP.** The Governor deleted language directing the Department to allow schools or districts to appeal decisions on failure to meet AYP before a list of those schools or districts is published (Sec. 211). The House and Senate restored the language.
3. **Fund Carry-forwards.** Gov., House, and Sen. added language allowing unexpended year-end balances in the Gifts, Bequests, and Donations and Teacher Testing Fees restricted funds to carry forward to the succeeding fiscal year. (Sec. 407 & 506)
4. **Pupil Membership Fraud.** The House and Senate added language expressing its intent that the State Superintendent of Public Instruction investigate and report on incidences of pupil membership fraud. (Sec. 225)

Conference Agreement on Items of Difference

5. **Hiring Freeze.** The House removed current year language imposing a hiring freeze; the Senate retained the language. Conference concurred with the Senate. (Sec. 213)
6. **Impact on Small Business.** The House removed current year language prohibiting the Department from adopting rules applying to small businesses that would have a disproportionate impact. The Senate retained the section, and Conference concurred with the Senate. (Sec. 222)
7. **Detailed FTE Report.** The House added language requiring the department to submit detailed FTE reports. The Senate did not include the language. Conference concurred with the Senate.
8. **Lapse Reporting.** The Senate added a section requiring a report on GF/GP lapse estimates by October 15, 2010. Conference concurred. (Sec. 226)
9. **Alternative Teaching Certification Programs.** The Governor removed language related to earmarks for alternative teaching certification programs at Central Michigan University and Wayne State University. Those earmarks were eliminated from the budget. Conference concurred. (Sec. 503)
10. **National Board Certification.** The Governor deleted language concerning an earmark for a state subsidy for teachers applying for certification. Conference concurred. (Sec. 505)
11. **Sections Pertaining to Library of MI and State Aid to Libraries.** New language was included by House and Conference to implement the funding of Library of MI operations and State Aid to Libraries. The language was previously in the HAL budget. (Sections 801, 802, 803)

Date Completed: 9-28-09

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