

FY 2013-14: School Aid
Summary: As Reported from Subcommittee
House Bill 4227 (H-1) Draft 2



Analyst: Bethany Wicksall

	FY 2012-13 YTD as of 2/7/13	FY 2013-14 Executive	FY 2013-14 House	FY 2013-14 Senate	FY 2013-14 Enacted	<i>Difference: House From FY 2012-13 YTD</i> Amount	%
IDG/IDT	\$0	\$0	\$0			\$0	--
Federal	1,701,041,400	1,764,421,300	1,764,421,300			63,379,900	3.7
Local	0	0	0			0	--
Private	0	0	0			0	--
Restricted	10,961,245,600	11,240,813,500	11,240,813,500			279,567,900	2.6
GF/GP	282,400,000	230,000,000	230,000,000			(52,400,000)	(18.6)
Gross	\$12,944,687,000	\$13,235,234,800	\$13,235,234,800			\$290,547,800	2.2
FTEs	0	0	0			0	--

Notes: (1) FY 2012-13 year-to-date (YTD) figures include mid-year budget adjustments through February 7, 2013.
(2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as one-time.

Overview

The School Aid budget makes appropriations to the state's 549 local school districts, 277 public school academies, the Education Achievement System, and 56 intermediate school districts (ISDs) for operations and certain categorical programs. It also appropriates funds to the Center for Educational Performance and Information, the Workforce Development Agency, and other entities to implement certain grants and other programs related to K-12 education.

Major Budget Changes From FY 2012-13 YTD Appropriations

1. Foundation Allowances (Secs. 22a and 22b)

Executive decreases by \$2.3 million from the current YTD for FY 2013-14 to incorporate consensus estimates for taxable values and pupil estimates. Includes funding for small class size adjustments reduced from \$13.0 million to \$9.0 million for FY 2013-14.

House concurs in total appropriations but revises the distribution of small class size adjustments compared to the Executive.

(See *Major Boilerplate Changes below for discussion of proposed changes to Small Class Size Adjustments.*)

2. One-Time Foundation Equity Payment (Sec. 22c)

Executive provides \$24.0 million in one-time funding for an equity payment of up to \$34 per pupil to districts with foundation allowances below \$7,000. The current minimum foundation allowance is \$6,966 and the state maximum guaranteed foundation allowance is \$8,019.

House concurs.

3. MPSERS - Cost Offset (Sec. 147a)

Executive maintains current funding levels to offset a share of MPSERS costs for districts for FY 2013-14.

House concurs.

4. MPSERS - Reserve Fund (Sec. 147b)

Executive eliminates transfer of funds to the MPSERS reserve fund. After deposits in FYs 2011-12 and 2012-13, the fund balance totals \$174.0 million, and \$150.0 million of it is used as a restricted fund source in Section 147c for FY 2013-14.

House concurs.

	FY 2012-13 Year-to-Date (as of 2/7/13)	FY 2013-14 House Change
Gross	\$8,864,300,000	(\$2,300,000)
Restricted	8,599,110,200	47,112,200
GF/GP	\$265,189,800	(\$49,412,200)
Gross	\$0	\$24,000,000
Restricted	0	24,000,000
Gross	\$155,000,000	\$0
Restricted	155,000,000	0
Gross	\$41,000,000	(\$41,000,000)
Restricted	41,000,000	(41,000,000)

Major Budget Changes From FY 2012-13 YTD Appropriations		FY 2012-13 Year-to-Date (as of 2/7/13)	FY 2013-14 House Change
5. MPSERS - State Share of Unfunded Liabilities (Sec. 147c)			
<u>Executive</u> increases funding for the state's share of Michigan Public School Employees' Retirement System (MPSERS) costs as required by PA 300 of 2012. PA 300 caps the employer share of MPSERS contributions for unfunded liabilities at 20.96% of payroll and requires the state to pay the balance. Total appropriations increase to \$403.3 million in FY 2013-14.		Gross \$130,000,000	\$273,300,000
<u>House</u> concurs.		Restricted 130,000,000	273,300,000
(See Major Boilerplate Changes below for discussion of other proposed changes.)			
6. Great Start Readiness Program (GSRP) (Sec. 32d)			
<u>Executive</u> increases funding for preschool programs by \$65.0 million each year to \$174.6 million in FY 2013-14. Additional funding increases the current allocation for each half-day slot from \$3,400 to \$3,625 and provides up to 16,000 more half-day slots in FY 2013-14. ISDs may use two half-day slots to provide a child with a full-day program.		Gross \$109,575,000	\$50,000,000
<u>House</u> increases by \$50.0 million to \$159.6 million and concurs on increasing the per diem to \$3,625, thereby increasing the number of funded half-day slots by approximately 11,800.		Restricted 109,275,000	50,000,000
(See Major Boilerplate Changes below for discussion of other proposed program changes.)		GF/GP \$300,000	\$0
7. Best Practices Incentive Grants (Sec. 22f)			
<u>Executive</u> decreases funding to \$25.0 million in FY 2013-14. The award would decrease from \$52 per pupil to \$16 per pupil to districts that meet 7 out of 8 best practices criteria.		Gross \$80,000,000	(\$79,999,900)
<u>House</u> reduces to a \$100 placeholder.		Restricted 80,000,000	(79,999,900)
(See Major Boilerplate Changes below for discussion of proposed changes to the 8 criteria.)			
8. Technology Infrastructure Improvement (Sec. 22i)			
<u>Executive</u> reduces funding to \$13.5 million for FY 2013-14. Funds may be used for the development or improvement of technology infrastructure in preparation for the planned implementation of FY 2014-15 online growth assessments.		Gross \$50,000,000	\$0
<u>House</u> maintains funding at FY 2012-13 levels of \$50.0 million.		Restricted 50,000,000	0
(See Major Boilerplate Changes below for discussion of proposed changes.)			
9. District Performance Funding (Sec. 22j)			
<u>Executive</u> maintains current funding levels for awards to districts up to a maximum of \$100 per pupil: \$30 per pupil for academic growth in grades 3-8 math, \$30 per pupil for academic growth in grades 3-8 reading, and \$40 per pupil for academic growth in all high school tested subjects. Fully funding eligible districts would cost \$46.4 million, so awards would be prorated.		Gross \$30,000,000	\$16,400,000
<u>House</u> increases to \$46.4 million to fully fund eligible districts.		Restricted 30,000,000	16,400,000
(See Major Boilerplate Changes below for discussion of proposed changes.)			
10. Consolidation Innovation Grants (Sec. 22g)			
<u>Executive</u> eliminates one-time competitive funding awarded to districts and ISDs to support both full consolidation and consolidation of services.		Gross \$10,000,000	(\$10,000,000)
<u>House</u> concurs.		Restricted 10,000,000	(10,000,000)

Major Budget Changes From FY 2012-13 YTD Appropriations		FY 2012-13 Year-to-Date (as of 2/7/13)	FY 2013-14 House Change
11. Competitive Student-Centric (Sec. 22k) <u>Executive</u> provides \$8.0 million in one-time funding in FY 2013-14 for competitive grants to districts that align instruction with individual student learning styles and pace and advance students based on individual mastery of each subject area. <u>House</u> provides \$7.0 million.	Gross	\$0	\$7,000,000
	Restricted	0	7,000,000
12. Intermediate School District (ISD) Operations (Sec. 81) <u>Executive</u> maintained current funding levels for ISDs, including \$62.1 million for general operations and \$2.0 million for ISD best practices. <u>House</u> maintains general operations funding of \$62.1 million but includes only a \$100 placeholder for best practices. (See Major Boilerplate Changes below for discussion of other proposed changes.)	Gross	\$64,115,000	(\$1,999,900)
	Restricted	\$64,115,000	(\$1,999,900)
13. Special Education Funding (Secs. 51a, 51c, 51d, 53a, 56) <u>Executive</u> decreases by \$10.7 million from the current YTD appropriation for FY 2013-14 to adjust for consensus estimates for the growth in special education reimbursement costs. <u>House</u> concurs.	Gross	\$1,435,269,100	(\$10,700,000)
	Federal	439,000,000	5,000,000
	Restricted	996,269,100	(15,700,000)
14. At-Risk Programs (Sec. 31a) <u>Executive</u> maintains current year funding levels for at-risk programs, school-based health centers, and hearing and vision screening. <u>House</u> concurs.	Gross	\$317,695,500	\$0
	Restricted	317,695,500	0
15. School Lunch Programs (Sec. 31d) <u>Executive</u> increases funding to \$485.7 million to recognize increased available federal funding for the national school lunch program. <u>House</u> concurs.	Gross	\$425,001,100	\$60,694,000
	Federal	402,506,000	60,694,000
	Restricted	22,495,100	0
16. School Breakfast Programs (Sec. 31f) <u>Executive</u> decreases funding by \$4.0 million to \$5.6 million to reflect actual prior-year expenditure levels. <u>House</u> concurs.	Gross	\$9,625,000	(\$4,000,000)
	Restricted	9,625,000	(4,000,000)
17. School Bond Redemption Fund (Sec. 11j) <u>Executive</u> increases by \$11.3 million to a total of \$131.7 million in FY 2013-14 to pay for increased interest payments associated with loans to districts participating in the School Bond Loan Program. <u>House</u> concurs.	Gross	\$120,390,000	\$11,270,000
	Restricted	120,390,000	11,270,000
18. Cash Flow Borrowing Costs (Sec. 11m) <u>Executive</u> increases costs to \$6.0 million in FY 2013-14 to reflect anticipated higher interest rates for short-term borrowing costs related to the School Aid Fund. <u>House</u> concurs.	Gross	\$3,200,000	\$2,800,000
	Restricted	3,200,000	2,800,000
19. Renaissance Zone Reimbursements (Sec. 26a) <u>Executive</u> transfers renaissance zone reimbursements to libraries from the School Aid budget to the Department of Education budget. <u>House</u> concurs.	Gross	\$27,8000,000	(\$1,500,000)
	Restricted	26,300,000	0
	GF/GP	\$1,500,000	(\$1,500,000)
20. Payments In Lieu of Taxes (PILT) (Sec. 26b) <u>Executive</u> increases funding to \$4.0 million in FY 2013-14 to recognize increased PILT reimbursements to districts, ISDs, and community colleges as required under PAs 603 and 604 of 2012. <u>House</u> concurs.	Gross	\$3,328,000	\$681,500
	Restricted	3,328,000	681,500
21. State Aid to Libraries - MeLCat (Sec. 93) <u>Executive</u> transfers funding supporting the Michigan eLibrary Catalog (MeLCat) from the School Aid budget to the Department of Education budget. <u>House</u> concurs.	Gross	\$1,304,300	(\$1,304,300)
	GF/GP	\$1,304,300	(\$1,304,300)

Major Budget Changes From FY 2012-13 YTD Appropriations		FY 2012-13 Year-to-Date (as of 2/7/13)	FY 2013-14 House Change
22. Center for Educational Performance and Information (Sec. 94a) <u>Executive</u> increased by \$216,700 for employee economics including salary and wages, insurance, and retirement costs. <u>House</u> concurs but adds an additional \$99,800 to pay for the pupil transfer application required under the proposed Section 25e.	Gross	\$9,411,900	\$316,500
	Federal	193,500	0
	GF/GP	\$9,218,400	\$316,500
23. Principal Educator Evaluation Training (Sec. 95) <u>Executive</u> reduces to \$500,000 in FY 2013-14 for grants to districts to support professional development for principals and assistant principals in a department-approved training program on implementing educator evaluation programs. <u>House</u> concurs but provides intent to appropriate any unallocated funds left in this line at the end of FY 2012-13.	Gross	\$1,750,000	(\$1,250,000)
	Restricted	1,750,000	(1,250,000)
24. Michigan Virtual University (MVU) (Sec. 98) <u>Executive</u> increases funding to \$14.4 million in FY 2013-14 for MVU to operate the Michigan Virtual School and the Michigan Virtual Learning Research Institute. <u>House</u> maintains current levels of funding at \$4.4 million. (See Major Boilerplate Changes below for discussion of other proposed changes.)	Gross	\$4,387,500	\$0
	GF/GP	\$4,387,500	\$0

Major Boilerplate Changes From FY 2012-13

Sec. 6(4). Pupil Membership Blend – REVISED

House revises the pupil membership blend from 90% October count and 10% of the previous February count to 80% of the October count and 20% of the following February count in order to align with the proposed pupil transfer process in Section 25e.

Sec. 6(6). Counting Nonresident Pupils for Online Courses – REVISED

Executive adds to the conditions under which a district may count a pupil in membership without the approval of his or her resident district: a pupil who enrolls in an online program in another district as allowed under the newly proposed Section 21f. House concurs.

Sec. 18a. Public School Academy (PSA) Property Transfer – REVISED

Current law requires that PSA property acquired substantially with public funds be transferred to the state if a PSA's contract is revoked or not reissued, or if the PSA is ineligible for state aid funding for 18 consecutive months.

Executive recommendation adds that a PSA corporation must initiate a dissolution process within 30 days after its contract expires.

House concurs but revises to initiate the "transfer" process.

Sec. 20 (8) and (9). 100% Online programs Foundation – NEW

House adds language that beginning in FY 2014-15 the foundation allowance for a cyber school or for pupils attending a district under a seat-time waiver for a 100% online model is equal to 80% of the foundation allowance of the district in which it is located.

Sec. 20(10). Foundation Allowances for District Consolidations or Annexations– REVISED

House revises language which currently provides that the foundation allowance for a consolidated district is the per pupil weighted average of all the affected districts. Instead the foundation allowance would be either the highest foundation of the affected districts or the sum of \$100 plus the per pupil weighted foundation, whichever is less.

Sec. 20(14). Small Class Size Adjustments to Foundation Allowances – REVISED

Executive revises foundation allowance adjustments for districts that received a small class size grant in 2001-2002. Currently funded in FY 2012-13 at 68.5% of FY 2010-11 levels at a total cost of \$13.0 million (funded under Sec. 22b). Executive recommendation continues adjustments into FY 2013-14, reduces to a total cost of \$9.0 million by capping adjustments as follows:

- not to exceed \$100 per pupil for districts with foundation allowances less than \$7,500.
- not to exceed \$50 per pupil for districts with foundation allowances greater than \$7,500.

House revises small class size adjustments to 70% of each district's adjustment in FY 2012-13. Assumes the same level of savings as the Executive recommendation.

Sec. 21f. Online Courses – NEW

Executive allows pupils in grades 5 to 12 to enroll in online courses as provided in this section (does not apply to cyber schools). Requires that a district allow a pupil to enroll in up to 2 online courses per term, semester, or trimester with the consent of the pupil's parent or legal guardian. If a pupil has demonstrated previous success in online courses, and the district and parent or guardian determine it is in the pupil's best interest, a pupil may enroll in more than 2 online courses per term, semester, or trimester. Allows pupil to enroll in online courses published in the district's catalog of online courses or the statewide catalog of online courses maintained by MVU pursuant to Sec. 98. Allows educating district to prohibit enrollment in an online course under certain circumstances, but provides the pupil an opportunity to appeal that decision to the ISD. Requires a district, if offering an online course, to provide MVU with the course syllabus for inclusion in the statewide catalog and provide links to the catalog on the district's website.

House revises to cover grades 7 to 12, deletes references to a statewide catalog maintained by MVU, deletes the provision requiring a district to allow a pupil with past success to take more than 2 online courses per term, and caps the amount a district has to pay for an online course to 1/12 of the district's foundation allowance per semester or 1/18 of the district's foundation allowance for a trimester.

Sec. 22f. Best Practices – REVISED

Executive reduces per pupil awards from \$52 per pupil to \$16 per pupil for districts complying with 7 out of 8 best practices. 4 out of the 8 best practices include revisions under the Executive recommendation:

- Acts as policyholder for insurance - Adds that a district with a voluntary employee beneficiary association (VEBA) that pays no more than the maximum allowed under PA 152 of 2011 is considered to have met this requirement.
- Competitively bid at least one non-instructional service - Adds that the unfunded liability costs for retirement must be excluded from district costs when comparing competitive bids.
- Provide online learning opportunities - Adds that a district must publish syllabi for offered online courses, as required under Sec. 21f.
- Provide a dashboard to parents and the community - Adds additional required dashboard items including revenue and expenditure projections, list of all debt service obligations by project including anticipated payments for FY 2013-14, and total outstanding debt.

The 4 other best practices remain the same and include participating in schools of choice, measuring student growth twice annually, providing dual enrollment, and provide physical or health education that meet State Board of Education standards.

House includes the Executive language but provides only a \$100 placeholder for best practices grants.

Sec. 22i. Technology Infrastructure Grants – REVISED

Executive adds instructional practices and shared service consolidation of technology and data as allowable uses of funding and changes the grant process from a competitive bid process to a process in which all eligible districts and ISDs may participate.

House limits the uses to technology infrastructure, shared service consolidation of technology and data, and hardware.

Also requires that to be eligible for funding under this section, a district or intermediate district must comply with language prohibiting contract renewals or extensions between December 10, 2012 and March 28, 2013 unless they can realize 10% savings as certified by an independent certified public accounting firm or those contracts that include only an agreement regarding conditions of employment that include membership in a labor organization or bargaining representative or paying dues or fees to a labor organization or bargaining representative or to a third party in lieu of those dues or fees.

Sec. 22j. District Performance Grants – REVISED

Executive updates the school year assessment used to awards to 2011-2012 and revises the high school award to broaden from only the Michigan Merit Exam to all high school assessments.

House concurs but also requires that to be eligible for funding under this section, a district or intermediate district must comply with language prohibiting contract renewals or extensions between December 10, 2012 and March 28, 2013 unless they can realize 10% savings as certified by an independent certified public accounting firm or those contracts that include only an agreement regarding conditions of employment that include membership in a labor organization or bargaining representative or paying dues or fees to a labor organization or bargaining representative or to a third party in lieu of those dues or fees.

Sec. 25e. Pupil Transfer Process - NEW

House repeals Sec. 25, which was set to begin in FY 2013-14 and replaces it with Sec. 25e. It would require CEPI to work with MDE, districts, and intermediate districts to develop a pupil transfer application modeled after the graduation and dropout application, and allow districts to transfer students and revise membership between the October and February count dates.

Sec. 32d. Great Start Readiness Program – REVISED

Executive proposes significant funding increases, but also includes several major policy changes including:

- Revises to align with new kindergarten age requirements, phased in over 3 years, to move the eligibility age cutoff date from December 1 to September 1.
- Eliminates former Parents Involved in Education (PIE) programs as an allowable use of funds.
- Distributes 100% of the funding through the Section 39 formula and requires all entities including ISDs, districts, public or private for-profit and nonprofit entities receiving funding to comply with Sections 32d and 39 rather than continuing a separate competitive application for public or private for-profit and nonprofit entities.
- Requires that a program receiving funds under this section must participate in the state's Great Start to Quality Process, the Tiered Quality Rating Improvement System (TQRIS), with a rating of at least 3 stars.
- Increases the minimum percentage of participating children who must live in families with income less than 300% of federal poverty level from at least 75% to at least 90%.
- Requires an ISD to contract with eligible public and private for-profit and nonprofit community-based providers for at least 20% of its total allocated slots. Requires notification to department if ISD is unable to meet this requirement.

House concurs but revises the Executive recommendation to continue allowing PIE programs, decreases the income eligibility threshold to 250% of the federal poverty, revises the minimum percentage of participating children who must qualify based on income to 80%, and clarifies that if MDE verifies an ISD tried to contract at least 20% of their slots and is unable to do so, the ISD may keep those remaining slots. Requires an ISD to let parents choose among ISD providers and requires an ISD to allow a parent of an eligible child to choose a program in another ISD and that the resident ISD would have to pay for the it.

Sec. 32p. Early Childhood Block Grants – REVISED

Executive provides that each ISD shall receive 100% of its FY 2012-13 allocation.

House provides that beginning in FY 2013-14 funding shall be determined by a distribution formula to be established by the MDE Office of Great Start in order to provide for equitable funding statewide.

Sec. 56. Special Education Millage Equalization – REVISED

FY 2012-13 allocations were frozen at prior year levels, but Executive recommendation reverts back to the formula, which guarantees a minimum taxable value per pupil for special education millages. For FY 2013-14 the per-pupil taxable value equalization amount is \$166,000.

House provides that no single ISD shall receive more than 62.9% of the total allocation under this section, and revises the taxable value equalization amount to \$169,900 accordingly.

Sec. 62. Vocational Education Millage Equalization – REVISED

FY 2012-13 allocations were frozen at prior year levels, but Executive recommendation reverts back to the formula, which guarantees a minimum taxable value per pupil for vocational education millages. For FY 2013-14 the per-pupil taxable value equalization amount is \$185,300.

House provides that no single ISD shall receive more than 38.4% of the total allocation under this section, and revises the taxable value equalization amount to \$186,500 accordingly.

Sec. 81(6). ISD Best Practices – REVISED

Executive maintains \$2.0 million allocation for ISD best practices, but revises to require 5 out of 6 best practices:

- Develop a consolidation plan - Adds for an ISD that developed a plan in FY 2012-13, it must implement that plan to qualify in FY 2013-14.
- Obtain competitive bids on at least 1 non-instructional service valued at \$50,000 or more for itself or its constituent districts - Adds that the unfunded liability costs for retirement must be excluded from costs when comparing competitive bids.
- Develop a technology plan - Adds for an ISD that developed a plan in FY 2012-13, it must implement that plan to qualify in FY 2013-14.
- Provide a dashboard to parents and the community - Adds additional, required dashboard items including revenue and expenditure projections, list of all debt service obligations by project including anticipated payments for FY 2013-14, and total outstanding debt.
- Work in a consortium with other ISDs to develop system requirements and bid specifications for a statewide model information system - Adds working with CEPI and changes focus to developing local systems that result in a recommended model information system that supports interoperability to ensure linkage and connectivity in a manner that facilitates the efficient exchange of data between districts, ISDs, and CEPI.
- New requirement that ISD act as policyholder for health care services benefits. An ISD that does not directly employ its staff or an ISD with a voluntary employee beneficiary association (VEBA) that pays no more than the maximum allowed under PA 152 of 2011 is considered to have met this requirement.

House includes the Executive language but provides only a \$100 placeholder for best practices grants.

Sec. 98. Michigan Virtual University – REVISED

Executive renames the Center for Online Learning and Innovation, which was established in FY 2012-13, as the Michigan Virtual Learning Research Institute. Requires that the Institute do the following: provide professional development to at least 1,000 education personnel on integrating digital learning, provide up to \$2.2 million in competitive grants to ISDs to expand integration of online and blended learning, work with higher education faculty on a new digital learning teacher endorsement, and create a statewide catalog of all online courses at all public schools including course syllabi and a review of each course. House maintains current law with minor changes.

Sec. 101. Instructional Days and Hours – REVISED

House deletes for FY 2013-14 the provision allowing up to 38 hours of professional development for teachers as instruction to meet the 1,098 minimum number of hours required and increases the minimum number of days required from 170 to 175 beginning in FY 2014-15.

Sec. 107. Adult Education – REVISED

House adds legislative intent to begin allocating grant funds under this section on a competitive basis beginning in FY 2014-15.

Sec. 147. MPSERS Contribution Rates – REVISED

Executive reflects employer contribution rates for defined benefit pension and retiree health benefits are now broken out for seven different subgroups based on hire date and benefit and contribution choices made under PA 300 of 2012. For FY 2013-14, rates are based on a 25-year amortization period, and they range from 20.96% to 24.79% of MPSERS payroll. Employer rates do not include contributions into employee defined contribution accounts.

House concurs.

Sec. 147b. MPSERS Reserve Fund – REVISED

Executive makes no appropriation into the MPSERS reserve fund, and instead begins to use available funds as a source of revenue under Sec. 147c. Adds new language, which would direct the funds collected in FY 2010-11 and FY 2011-12 for the employee 3% contributions for retiree health care, currently being held in escrow pursuant to a court injunction, to be deposited into the MPSERS reserve fund for the purposes of funding health care unfunded liabilities if the injunction is lifted.

House concurs

Sec. 147c. MPSERS State Share for Health Care Unfunded Accrued Liabilities – REVISED

Executive revises such that instead of paying the MPSERS funds directly to the MPSERS system, funding would be distributed to districts and ISDs based on their proportional share of MPSERS payroll. Then districts and ISDs would be required to pay the exact amount back to the MPSERS system.

House concurs.

SCHOOL AID LINE ITEM SUMMARY



Sec.		FY 2012-13		
		Year-to-Date	Executive Supplemental 2013-5	Revised
11g	Durant - Debt Service	\$39,000,000		\$39,000,000
11j	School Bond Redemption Fund	\$120,390,000		\$120,390,000
11m	Cash Flow Borrowing Costs	\$3,200,000		\$3,200,000
22a	Foundations: Proposal A Obligation Payment	\$5,712,000,000	(\$81,000,000)	\$5,631,000,000
22b	Foundations: Discretionary Payment	\$3,152,300,000	\$64,700,000	\$3,217,000,000
22c	Foundations: Equity Payment	\$0		\$0
22d	Isolated District Funding	\$2,025,000		\$2,025,000
22f	Best Practices	\$80,000,000		\$80,000,000
22g	Consolidation Innovation Grants	\$10,000,000		\$10,000,000
22i	Technology Infrastructure Improvement Grants	\$50,000,000		\$50,000,000
22j	District Performance Funding	\$30,000,000		\$30,000,000
22k	Competitive Student-Centric Grants - NEW	\$0		\$0
24	Court-Placed Pupils	\$8,000,000		\$8,000,000
24a	Juvenile Detention Facility Programs	\$2,135,800		\$2,135,800
24c	Youth Challenge Program	\$1,500,000		\$1,500,000
26a	Renaissance Zone Reimbursement	\$27,800,000		\$27,800,000
26b	PILT Reimbursement	\$3,328,000		\$3,328,000
26c	Promise Zone Funding -	\$347,800		\$347,800
31a	"At Risk" Pupil Support	\$308,988,200		\$308,988,200
31a(6)	School Based Health Centers	\$3,557,300		\$3,557,300
31a(7)	Hearing and Vision Screening	\$5,150,000		\$5,150,000
31d	State School Lunch Programs	\$22,495,100		\$22,495,100
31d	Federal School Lunch Programs	\$402,506,000		\$402,506,000
31f	School Breakfast Program	\$9,625,000		\$9,625,000
32d	Great Start School Readiness	\$109,575,000		\$109,575,000
32p	Early Childhood Block Grants	\$10,900,000		\$10,900,000
39a1	Federal "No Child Left Behind"	\$812,328,500		\$812,328,500
39a2	Other Federal Funding	\$33,514,100		\$33,514,100
51a(1)	Special Education - Federal Reimbursement	\$365,000,000		\$365,000,000
51a(2)	Special Ed ISD Foundation and Costs	\$257,400,000	(\$6,700,000)	\$250,700,000
51a(3)	Special Ed ISD Hold Harmless Payment	\$1,000,000		\$1,000,000
51a(6)	Special Ed Admin Rules Changes	\$2,200,000		\$2,200,000
51a(11)	Special Ed Foundations for Non Sec. 52 to ISDs	\$5,600,000		\$5,600,000
51c	Special Ed Headlee Obligation (Durant)	\$678,000,000	(\$35,000,000)	\$643,000,000
51d	Special Education - Other Federal Grants	\$74,000,000		\$74,000,000
53a	Special Ed for Court Placed Pupils	\$13,500,000		\$13,500,000
54	Special Ed Michigan School Blind/Deaf	\$1,688,000		\$1,688,000
56	Special Ed ISD Millage Equalization	\$36,881,100		\$36,881,100
61a	Vocational-Technical Education Programs	\$26,611,300		\$26,611,300
62	ISD Vocational Education Millage Equalization	\$9,000,000		\$9,000,000
74	Bus Driver Safety Instruction	\$1,625,000		\$1,625,000
74	School Bus Inspections	\$1,634,900		\$1,634,900
81	ISD General Operations Support	\$64,108,000	\$7,000	\$64,115,000
93	State Aid to Libraries for MeLCat Support	\$1,304,300		\$1,304,300
94a	Center for Educational Performance	\$9,218,400		\$9,218,400
94a	Center for Educational Performance - Federal	\$193,500		\$193,500
95	Principal Educator Evaluation Training	\$1,750,000		\$1,750,000
98	Michigan Virtual School	\$4,387,500		\$4,387,500
99	Math and Science Centers - State	\$2,725,000		\$2,725,000
99	Math and Science Centers - Federal	\$5,249,300		\$5,249,300

FY 2013-14		
Change from FY 2012-13 YTD	Change from FY 2012-13 Revised	Executive Recommendation
\$500,000	\$500,000	\$39,500,000
\$11,270,000	\$11,270,000	\$131,660,000
\$2,800,000	\$2,800,000	\$6,000,000
(\$154,000,000)	(\$73,000,000)	\$5,558,000,000
\$151,700,000	\$87,000,000	\$3,304,000,000
\$24,000,000	\$24,000,000	\$24,000,000
		\$2,025,000
(\$55,000,000)	(\$55,000,000)	\$25,000,000
(\$10,000,000)	(\$10,000,000)	\$0
(\$36,500,000)	(\$36,500,000)	\$13,500,000
		\$30,000,000
\$8,000,000	\$8,000,000	\$8,000,000
		\$8,000,000
\$31,700	\$31,700	\$2,167,500
		\$1,500,000
(\$1,500,000)	(\$1,500,000)	\$26,300,000
\$681,500	\$681,500	\$4,009,500
(\$123,800)	(\$123,800)	\$224,000
		\$308,988,200
		\$3,557,300
		\$5,150,000
		\$22,495,100
\$60,694,000	\$60,694,000	\$463,200,000
(\$4,000,000)	(\$4,000,000)	\$5,625,000
\$65,000,000	\$65,000,000	\$174,575,000
		\$10,900,000
(\$500,000)	(\$500,000)	\$811,828,500
(\$1,814,100)	(\$1,814,100)	\$31,700,000
\$5,000,000	\$5,000,000	\$370,000,000
\$900,000	\$7,600,000	\$258,300,000
		\$1,000,000
		\$2,200,000
(\$1,100,000)	(\$1,100,000)	\$4,500,000
(\$15,500,000)	\$19,500,000	\$662,500,000
		\$74,000,000
		\$13,500,000
		\$1,688,000
		\$36,881,100
		\$26,611,300
		\$9,000,000
		\$1,625,000
\$39,100	\$39,100	\$1,674,000
\$7,000		\$64,115,000
(\$1,304,300)	(\$1,304,300)	\$0
\$216,700	\$216,700	\$9,435,100
		\$193,500
(\$1,250,000)	(\$1,250,000)	\$500,000
\$10,000,000	\$10,000,000	\$14,387,500
		\$2,725,000
		\$5,249,300

FY 2013-14	
Change from Exec Rec	Subcommittee Recommendation
	\$39,500,000
	\$131,660,000
	\$6,000,000
	\$5,558,000,000
	\$3,304,000,000
	\$24,000,000
	\$2,025,000
(\$24,999,900)	\$100
	\$0
\$36,500,000	\$50,000,000
\$16,400,000	\$46,400,000
(\$1,000,000)	\$7,000,000
	\$8,000,000
	\$2,167,500
	\$1,500,000
	\$26,300,000
	\$4,009,500
	\$224,000
	\$308,988,200
	\$3,557,300
	\$5,150,000
	\$22,495,100
	\$463,200,000
	\$5,625,000
(\$15,000,000)	\$159,575,000
	\$10,900,000
	\$811,828,500
	\$31,700,000
	\$370,000,000
	\$258,300,000
	\$1,000,000
	\$2,200,000
	\$4,500,000
	\$662,500,000
	\$74,000,000
	\$13,500,000
	\$1,688,000
	\$36,881,100
	\$26,611,300
	\$9,000,000
	\$1,625,000
	\$1,674,000
(\$1,999,900)	\$62,115,100
	\$0
\$99,800	\$9,534,900
	\$193,500
	\$500,000
(\$10,000,000)	\$4,387,500
	\$2,725,000
	\$5,249,300

SCHOOL AID LINE ITEM SUMMARY



		FY 2012-13		
		Year-to-Date	Executive Supplemental 2013-5	Revised
104	MEAP Testing - State	\$26,694,400		\$26,694,400
104	MEAP Testing - Federal	\$8,250,000		\$8,250,000
107	Adult Education	\$22,000,000		\$22,000,000
147a	MPERS Cost Offset	\$155,000,000		\$155,000,000
147b	MPERS Reserve for Retirement Obligation Reform	\$41,000,000		\$41,000,000
147c	MPERS Prefunding - Unfunded Liability Payments	\$130,000,000	\$30,500,000	\$160,500,000
152a	Adair - Database Payment	\$38,000,500		\$38,000,500
TOTAL APPROPRIATIONS		\$12,944,687,000	(\$27,493,000)	\$12,917,194,000

FY 2013-14		
Change from FY 2012-13 YTD	Change from FY 2012-13 Revised	Executive Recommendation
		\$26,694,400
		\$8,250,000
		\$22,000,000
		\$155,000,000
(\$41,000,000)	(\$41,000,000)	\$0
\$273,300,000	\$242,800,000	\$403,300,000
		\$38,000,500
\$290,547,800	\$318,040,800	\$13,235,234,800

FY 2013-14	
Change from Exec Rec	Subcommittee Recommendation
	\$26,694,400
	\$8,250,000
	\$22,000,000
	\$155,000,000
	\$0
	\$403,300,000
	\$38,000,500
\$0	\$13,235,234,800

REVENUE BY SOURCE			
Federal Aid	\$1,701,041,400	\$0	\$1,701,041,400
School Aid Fund	\$10,961,245,600	(\$27,493,000)	\$10,933,752,600
MPERS Reserve Fund	\$0	\$0	\$0
General Fund/General Purpose	\$282,400,000	\$0	\$282,400,000
TOTAL REVENUE	\$12,944,687,000	(\$27,493,000)	\$12,917,194,000

\$63,379,900	\$63,379,900	\$1,764,421,300	\$1,764,421,300
\$129,567,900	\$157,060,900	\$11,090,813,500	\$0
\$150,000,000	\$150,000,000	\$150,000,000	\$150,000,000
(\$52,400,000)	(\$52,400,000)	\$230,000,000	\$230,000,000
\$290,547,800	\$318,040,800	\$13,235,234,800	\$0