



Senate Fiscal Agency
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BILL ANALYSIS



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FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2015-16 YEAR-TO-DATE	FY 2016-17 CONFERENCE	CHANGES FROM FY 2015-16 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	588.5	597.5	9.0	1.5
GROSS	308,561,200	331,975,200	17,814,000	5.8
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS.....	308,561,200	331,975,200	17,814,000	5.8
Less:				
Federal Funds.....	215,640,900	239,821,900	18,581,000	8.6
Local and Private	7,667,000	7,591,400	(75,600)	(1.0)
TOTAL STATE SPENDING.....	85,253,300	84,561,900	(691,400)	(0.8)
Less:				
Other State Restricted Funds.....	7,669,600	8,380,700	711,100	9.3
GENERAL FUND/GENERAL PURPOSE.....	77,583,700	76,181,200	(1,402,500)	(1.8)
PAYMENTS TO LOCALS	17,861,000	19,176,000	1,315,000	7.4

FY 2015-16 Year-to-Date Gross Appropriation

\$308,561,200

Changes from FY 2015-16 Year-to-Date:

Items Included by the Senate and House

- Flint Declaration of Emergency.** The Governor, Senate, and House included one-time appropriations for Flint. This funding would continue the FY 2015-16 pilot expansion of the Child Development and Care Program and includes a \$100 place holder in order to allow additional appropriations from the Flint Emergency Reserve Fund if needed. 8,050,100
- Multi-Tiered Systems of Support Implementation (MTSS).** The Governor, Senate, and House included this new program, which establishes a team of 3.0 FTEs to provide on-site monitoring and support to implement multi-tiered systems of support. Districts receiving at-risk funding are required to implement MTSS. This program is funded by GF/GP. 500,000
- Certification Fees Support.** The Governor, Senate, and House included one-time GF/GP appropriations to offset deficiencies due to declining certification fee revenue. 500,000
- Early/Middle College Support.** The Governor, Senate, and House included funding and 2.0 FTEs to provide technical support and assistance to Early/Middle Colleges, which are expected to increase to number 119 by 2017. This program is funded by GF/GP. 395,000
- School Safety Consultant.** The Governor, Senate, and House included funding to support a new FTE position who will coordinate with the Attorney General and State Police to provide statewide support and guidance on school safety issues. This position is funded by GF/GP. 180,000
- Home Visit Program.** The Governor, Senate, and House included funding to support a new FTE position to provide coordination and management of the home visit program described in Section 32p of the State School Aid Act. This FTE position is funded by GF/GP. 175,000
- E-Rate Technical Assistance.** The Governor, Senate, and House included funding to support a new FTE position to coordinate and provide guidance to align projects with ongoing work on the State Education Network. This FTE position is funded by GF/GP. 162,500

8. Education Commission of the States Membership Dues. The Governor, Senate, and House included an increase that would allow the Department to fully pay for the Education Commission of the States Membership. This increase is support by GF/GP.	90,800
9. Removal of FY 2015-16 Supplemental. Removed Public Act 3 of 2016 funding.	(2,685,000)
10. Educator Evaluations. The Governor, Senate, and House reduced and rolled the funding into Educational Improvement and Innovation Operations. The reduction is GF/GP and would leave Educator Evaluations with \$1.5 million.	(1,000,000)
11. Financial Independence Team. The Governor, Senate, and House included a 50% reduction to this unit, leaving \$249,500 Gross and GF/GP remaining for FY 2016-17.	(250,000)
12. Five-Year Early Out Deferred Sick Leave Payments. Department obligations will be satisfied as of FY 2015-16 for employees who opted into the 2010 early retirement program, which deferred sick leave payments over five years.	(201,400)
13. Removal of Local Cost Sharing. The Governor, Senate, and House removed local cost sharing revenue to Information Technology due to unrealized revenue from this source.	(76,500)
14. Creation of the Office of Talent and Policy Coordination. The Governor, Senate, and House used existing FTEs and funding in the Department to create the Office of Talent and Policy Coordination. The Office will have 17.0 FTEs and \$2,574,200 Gross and \$1,707,200 GF/GP.	0
15. Economic Adjustments. Includes \$1,429,100 Gross and \$332,400 for standard economic adjustments, \$388,600 Gross and \$90,400 GF/GP for OPEB, and \$589,700 Gross and \$28,300 GF/GP for other economic adjustments.	2,407,400

Conference Agreement on Items of Difference

16. Voluntary Water Testing. The Senate included \$4.0 million to reimburse local schools for the cost to test water for lead with a cap of \$1,000 per school building. The Conference included an additional \$500,000 and lowered the cap to \$950 per school building.	4,500,000
17. Chief Information Officer. The Senate included a \$100 placeholder and 1.0 FTE position for a chief information officer. The Conference included \$200,000 and 1.0 FTE position.	200,000
18. Special Education Taskforce. The Governor, Senate, and House included \$300,000 in funding for a new Special Education Taskforce all supported by GF/GP, which will provide communication and information to families with students with special needs. The Conference Included \$100,000.	100,000
19. Child Development and Care Expansion. The House included a \$100 placeholder to expand the Child Development and Care program to increase the entry eligibility. The Conference included a \$2.1 million increase due to the caseload adjustments at May Consensus Revenue Estimating Conference as well and a \$7,666,100 increase in Gross and Federal to expand the entry to 125%.	9,766,100
20. Boilerplate Appropriations. The Senate moved \$600,000 in boilerplate appropriations into part 1. Of the total, \$300,000 is for the low incidence outreach program and \$300,000 is for Library fees. The Conference moved \$600,000 in boilerplate appropriations into part 1.	600,000
21. State Board of Education. The House removed Per Diem and Travel funding for the State Board of Education. The Conference retained these sections and funding.	0
22. FY 2016-17 One-Time Gross Appropriations. The Conference included \$13,050,100 in total one-time spending. Of the total, \$8,050,100 is for the Flint Emergency, \$4.5 million is for voluntary water testing, and \$500,000 for certification fee reimbursement.	

Total Changes	\$23,414,000
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FY 2016-17 Conference Report Ongoing/One-Time Gross Appropriation	\$331,975,200
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Amount Over/(Under) GF/GP Target: \$0

Boilerplate Changes from FY 2015-16 Year-to-Date:Items Included by the Senate and House

1. **Deleted Sections.** Governor, Senate, and House deleted a number of sections, which include: 237 (school fund raiser nutrition requirement), 601 (Financial Independence Team requirements), and 806 (State aid to libraries increase intent).
2. **Retained by House and Senate.** The House and Senate retained a number of sections that were deleted by the Governor, which include: 208 (sexual misconduct), 216 (protection for employees who testify, 234 (benchmark report), 502 (use of substitute time for teaching time requirement), 803 (maintain Library unit intent), and 1003 (Early Childhood Investment Corporation report).
3. **Report Requirement on MTSS.** Gov., Senate, and House included a report on the implementation of MTSS. (Sec. 701)
4. **Technical Modifications and Movement.** The Governor, Senate, and House made a number of technical modifications that include date changes, definition changes, spending changes to reflect part 1 adjustments, and standardized general section language, and renumbered sections to standardize boilerplate across departments.

Conference Agreement on Items of Difference

5. **Retained by Conference.** The Conference retained a number of sections that were deleted by either the House or Senate, which include: 223 (retention of all reports), 227 (30-day requirement on request and reports), 228 (Request for Information consideration), 230 (nonpublic schools mandate report), 507 (teacher certification test requirements), 1001 (child care provider report), and 1004 (Child Development and Care increase intent), and 1201 (legislative intent for second year spending).
6. **Interdepartmental Cooperation.** The Senate included two new sections, which require the Department to cooperate with other departments to reduce duplication, streamline services and resources, and increase efficiency. One section is for the home visit program with the Department of Health and Human Services, the other section is for the school reform office, financial independence team, and child development and care program (Secs. 226, and 1008). The Conference concurred with the two new sections and included a new section for the Department to cooperate with the MVU for professional development. (Sec. 503)
7. **Requirements for Reporting Contracts.** The Governor removed the notification requirements for contracts over \$1.0 million. The Senate maintained current law. The House maintained current law, but removed references to No Child Left Behind. The Conference concurred with the House modifications. (Sec. 229)
8. **School Board Travel.** The House removed travel reimbursement to the State School Board. The Conference retained travel reimbursement. (Sec. 302)
9. **Boilerplate Appropriations.** The Senate moved \$600,000 in boilerplate appropriations to part 1. Of the total, \$300,000 is for the low incidence outreach program (Sec. 408) and \$300,000 is for Library fees (Sec. 801). The Conference concurred with the Senate modifications.
10. **Special Education Taskforce.** The Governor and Senate included a new section, which places requirements on the implementation of the Special Education Taskforce. The House modified to include distribution of materials to all parents with a student with a disability. The Conference concurred to the House modification. (Sec. 901)
11. **WorkKeys Test/Certificate.** The Senate included language that requires that the Department renegotiate the contract with ACT to include the cost of registering and certifying students that pass the WorkKeys test and are eligible to receive the national career readiness certification. The Conference concurred with the Senate language. (Sec. 1021)
12. **Flint Declaration of Emergency Funds.** The Governor and Senate included a new section, which places requirements on the one-time appropriations for the drinking water declaration of emergency funds. The House included reporting requirements on caseloads, providers, and communication data from the appropriations. The Conference concurred with the House modifications. (Sec. 1101)
13. **Voluntary Water Testing.** The Senate included language on how schools shall conduct and be reimbursed for lead water testing. This section includes a cap of \$1,000 per school building, the Department setting statewide guidelines/protocols on testing, and reporting requirements. The Conference reduced the cap to \$950 per school building and allowed for administrative expenses. (Sec. 1102)

Date Completed: 5-31-16

Fiscal Analyst: Cory Savino

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberation.