



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



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

Senate Bill 843 (S-2 as passed by the Senate)
Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 SENATE-PASSED	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	0.0	0.0	N/A	N/A
GROSS.....	431,417,000	473,262,600	41,845,600	9.7
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS	431,417,000	473,262,600	41,845,600	9.7
Less:				
Federal Funds	0	0	0	0.0
Local and Private.....	0	0	0	0.0
TOTAL STATE SPENDING.....	431,417,000	473,262,600	41,845,600	9.7
Less:				
Other State Restricted Funds.....	431,417,000	473,262,600	41,845,600	9.7
GENERAL FUND/GENERAL PURPOSE	0	0	0	0.0
PAYMENTS TO LOCALS.....	431,417,000	473,262,600	41,845,600	9.7

*As of April 12, 2022.

	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$431,417,000	\$0

Changes from FY 2021-22 Year-to-Date:

- | | | |
|--|-------------|---|
| 1. One-Time Operations Increase. The Governor included a 5.0% one-time operations increase for community colleges using the existing community college funding formula. The Senate included a 5.5% one-time increase using that formula. | 17,801,100 | 0 |
| 2. Ongoing Operations Increase. The Governor included a 5.0% ongoing operations increase for community colleges using the existing community college funding formula. The Senate included a 5.5% ongoing increase using that formula. | 17,801,100 | 0 |
| 3. Michigan Public School Employees' Retirement System (MPERS) UAAL Stabilization Payment. The Governor and Senate included an adjustment for MPERS unfunded actuarially accrued liability (UAAL) costs that exceed the statutory payroll rate cap of 20.96%. This adjustment would bring the total amount for this item to \$92.6 million. | 5,400,000 | 0 |
| 4. MPERS Retiree Healthcare. The Governor and Senate included an increase in support for MPERS retiree health care to meet the State's projected share of those costs. This adjustment would bring the total amount for this item to \$7.0 million. | 5,286,400 | 0 |
| 5. FY 2021-22 One-Time Increase. The Governor and Senate removed the 1.0% one-time operations increase that was provided to community colleges for FY 2021-22. | (3,236,500) | 0 |

6. MPSERS Normal Cost Adjustment. The Governor and Senate reduced the MPSERS normal cost offset to reflect the contributions necessary to support the reduction to the assumed rate of return on investment funds that has been enacted over the past few years. This adjustment would bring the total amount for this item to \$10.8 million.	(900,000)	0
7. North American Indian Tuition Waiver (ITW) Adjustment. The Governor and Senate reduced North American Indian tuition waiver payments based on the most recent cost data provided by the colleges. The total amount included for this item is \$1.4 million.	(306,500)	0
8. Comparison to the Governor's Recommendation. The Senate is \$3,234,200 Gross and \$0 GF/GP over the Governor.		
Total Changes	\$41,845,600	\$0
FY 2022-23 Senate-Passed Appropriation	\$473,262,600	\$0

FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:

1. **Schedule of Payments to Community Colleges.** The Governor removed and Senate retained language requiring the State Budget Director to notify the House and Senate Subcommittees before funds are withheld because of a failure to report certain information as required by statute. (Sec. 206)
2. **Use and Finance Noncompliance Penalty.** The Governor removed and Senate retained a section that imposes a 1% reduction in State funding to a community college for each violation of certain requirement of the Management and Budget Act. (Sec. 208)
3. **Transparency Reporting - Noncompliance Penalty.** The Governor removed and Senate retained language that allows the State Budget Director to withhold monthly payments to community colleges if the colleges do not comply with statutory transparency reporting requirements. The Governor also removed various reporting requirements from this section, as well as a requirement that the State Budget Office compile a single report from the various reports submitted by colleges under this section. (Sec. 209)
4. **Campus Safety Information.** The Governor removed and Senate retained the requirement that colleges certify compliance with the requirements of this section, as well as the ability for the State Budget Director to withhold payments to colleges that fail to do so. (Sec. 209a)
5. **Bachelor of Nursing Report.** The Governor and Senate removed a report on articulation agreements on Bachelor of Nursing programs between community colleges and universities (Sec. 210g)
6. **COVID-19 Mandatory Vaccine Exemptions.** The Governor removed a section requiring community colleges that has a mandatory COVID-19 vaccine policy to grant exceptions to that policy under certain circumstances. The Senate modified the section to prohibit a vaccine mandate or a COVID-19 test for attendance of in-person classes and to withhold the operations payments of colleges that violate the section. (Sec. 210h)
7. **Cost Containment.** The Governor removed and Senate retained a section requiring community colleges to pursue various efficiencies in their operations. (Sec. 212)
8. **Performance Audits.** The Governor removed and Senate retained a section allowing the Auditor General to conduct performance audits on community colleges. (Sec. 220)
9. **COVID-19 Federal Funds Report.** The Governor and Senate removed a report on COVID-19-related Federal funds received by community colleges. (Sec. 226b)
10. **Campus Free Speech Report.** The Governor removed and Senate retained a section of legislative intent language requesting a report from each college on strategic planning and other activities related to free speech on campus. (Sec. 226d)
11. **Postsecondary Achievement Goal.** The Governor included a new section stating a goal that 60% of Michigan residents achieve some type of postsecondary credential by 2030. The Senate did not include this section. (Sec. 226e)
12. **Pregnant and Parenting Student Services.** The Senate included a new section allowing community colleges to use their State operations payments to establish a Pregnant and Parenting Student Services Center. (Sec. 226f)

13. **Campus Advocacy Policy.** The Governor removed and Senate retained a section of legislative intent requesting that each college adopt an advocacy policy for faculty, staff, students, and other people on campus. (Sec. 226g)
14. **Communication with the Legislature.** The Governor removed and Senate retained a section prohibiting a community college from taking disciplinary action against an employee who communicates with members of the Legislature or their staff. (Sec. 228)
15. **Tuition Restraint.** The Senate included language to restrict a community college from raising tuition by more than 5.0% or \$226, whichever is greater. A college that violated the tuition cap would forfeit its performance funding payments and be ineligible to receive a capital outlay project in fiscal year 2022-23 and 2023-24.

Date Completed: 5-4-22

Fiscal Analyst: Josh Sefton

Table 1: FY 2022-23 Community College Appropriations

College	FY 2021-22 Year-To-Date	FY 2022-23 Governor's Recommendation			FY 2022-23 Senate		
		Adjustments	Appropriation	Percent Change	Adjustments	Appropriation	Percent Change
Alpena	\$5,830,600	\$483,400	\$6,314,000	8.3%	\$538,000	\$6,368,600	9.2%
Bay de Noc	5,772,400	488,500	6,260,900	8.5	543,300	6,315,700	9.4
Delta	15,364,000	1,292,100	16,656,100	8.4	1,437,700	16,801,700	9.4
Glen Oaks	2,684,500	268,500	2,953,000	10.0	298,700	2,983,200	11.1
Gogebic	4,968,100	407,300	5,375,400	8.2	453,100	5,421,200	9.1
Grand Rapids	19,193,200	1,750,500	20,943,700	9.1	1,948,900	21,142,100	10.2
Henry Ford	22,753,900	2,144,500	24,898,400	9.4	2,377,700	25,131,600	10.4
Jackson	12,912,300	964,300	13,876,600	7.5	1,072,100	13,984,400	8.3
Kalamazoo Valley	13,320,400	1,188,500	14,508,900	8.9	1,323,500	14,643,900	9.9
Kellogg	10,419,200	849,500	11,268,700	8.2	946,900	11,366,100	9.1
Kirtland	3,404,000	416,500	3,820,500	12.2	460,300	3,864,300	13.5
Lake Michigan	5,768,200	498,300	6,266,500	8.6	553,500	6,321,700	9.6
Lansing	33,255,300	2,460,800	35,716,100	7.4	2,735,800	35,991,100	8.2
Macomb	34,629,700	2,956,500	37,586,200	8.5	3,283,300	37,913,000	9.5
Mid Michigan	5,396,300	433,100	5,829,400	8.0	487,900	5,884,200	9.0
Monroe	4,798,100	464,300	5,262,400	9.7	515,700	5,313,800	10.7
Montcalm	3,612,600	343,100	3,955,700	9.5	380,700	3,993,300	10.5
Mott	16,623,500	1,161,900	17,785,400	7.0	1,293,500	17,917,000	7.8
Muskegon	9,431,700	788,000	10,219,700	8.4	876,800	10,308,500	9.3
North Central	3,612,700	393,700	4,006,400	10.9	439,100	4,051,800	12.2
Northwestern	9,906,900	695,100	10,602,000	7.0	782,900	10,689,800	7.9
Oakland	22,485,200	2,277,900	24,763,100	10.1	2,529,300	25,014,500	11.2
Schoolcraft	13,386,700	1,317,300	14,704,000	9.8	1,465,900	14,852,600	11.0
Southwestern	7,081,900	631,400	7,713,300	8.9	702,000	7,783,900	9.9
St. Clair	7,478,700	727,900	8,206,600	9.7	808,100	8,286,800	10.8
Washtenaw	14,080,600	1,789,800	15,870,400	12.7	1,988,800	16,069,400	14.1
Wayne County	17,782,100	1,385,300	19,167,400	7.8	1,541,900	19,324,000	8.7
West Shore	2,630,600	247,000	2,877,600	9.4	273,800	2,904,400	10.4
Subtotal Operations:	\$328,583,400	\$28,825,000	\$357,408,400	8.8%	\$32,059,200	\$360,642,600	9.8%
MPERS Normal Cost Offset	\$11,700,000	(\$900,000)	\$10,800,000	(7.7%)	(\$900,000)	\$10,800,000	(7.7%)
MPERS Retiree Health Care	1,733,600	5,286,400	7,020,000	304.9	5,286,400	7,020,000	304.9
MPERS Reform Costs	87,200,000	5,400,000	92,600,000	6.2	5,400,000	92,600,000	6.2
Renaissance Zone Reimbursements	2,200,000	0	2,200,000	0.0	0	2,200,000	0.0
Total Appropriations:	\$431,417,000	\$38,611,400	\$470,028,400	8.9%	\$41,845,600	\$473,262,600	9.7%
State School Aid Fund	431,417,000	38,611,400	470,028,400	8.9	41,845,600	473,262,600	9.7
GF/GP	\$0	\$0	\$0	0.0%	\$0	\$0	0.0%



Table 2: FY 2022-23 Community College Appropriations - Senate Passed

FY 2021-22 Appropriations					FY 2022-23 Adjustments														
College	Operations	One-Time Perf. Funding	ITW Reimburse.	Year-To-Date	One-Time Adjustments		Ongoing Adjustments								Total Formula Distribution	Non-Formula / ITW Adjustments	Total Adjustments	FY 2022-23 Appropriation	Percent Change
					Remove FY22 Performance Fund.	FY23 Performance Fund.	30. % Sustainability*	10.0% Performance Improvement	10.0% Performance Completion #	10.0% Performance Completion Rate	25.0% Contact Hours	5.0% Administrative Costs	5.0% Local Strategic Value						
Alpena	\$5,753,300	\$53,400	\$23,900	\$5,830,600	(\$53,400)	\$300,800	\$94,930	\$37,226	\$21,834	\$45,947	\$50,312	\$34,739	\$15,822	\$548,200	(\$10,200)	\$538,000	\$6,368,600	9.2%	
Bay de Noc	5,602,800	58,000	111,600	5,772,400	(58,000)	\$301,600	92,446	29,720	21,372	46,130	60,351	36,147	15,408	545,200	(1,900)	543,300	6,315,700	9.4%	
Delta	15,160,500	143,400	60,100	15,364,000	(143,400)	\$800,500	250,149	66,706	80,300	86,381	235,586	39,644	41,691	1,457,600	(19,900)	1,437,700	16,801,700	9.4%	
Glen Oaks	2,651,200	33,300	0	2,684,500	(33,300)	\$166,000	43,745	26,608	10,398	32,936	40,103	4,911	7,291	298,700	0	298,700	2,983,200	11.1%	
Gogebic	4,873,700	42,400	52,000	4,968,100	(42,400)	\$252,500	80,416	41,861	12,397	45,859	35,769	22,836	13,403	462,600	(9,500)	453,100	5,421,200	9.1%	
Grand Rapids	18,773,100	221,500	198,600	19,193,200	(221,500)	\$1,092,300	309,756	86,762	117,625	102,689	387,533	36,283	51,626	1,963,100	(14,200)	1,948,900	21,142,100	10.2%	
Henry Ford	22,533,100	205,800	15,000	22,753,900	(205,800)	\$1,283,600	371,797	119,500	143,168	99,146	450,036	37,996	61,966	2,361,400	16,300	2,377,700	25,131,600	10.4%	
Jackson	12,756,200	109,900	46,200	12,912,300	(109,900)	\$592,800	210,478	57,601	45,340	56,127	154,585	33,542	35,080	1,075,700	(3,600)	1,072,100	13,984,400	8.3%	
Kalamazoo Valley	13,099,900	134,400	86,100	13,320,400	(134,400)	\$743,700	216,149	77,106	66,462	78,203	230,428	39,357	36,025	1,353,000	(29,500)	1,323,500	14,643,900	9.9%	
Kellogg	10,267,100	100,800	51,300	10,419,200	(100,800)	\$536,000	169,407	51,202	51,682	66,062	129,762	39,616	28,235	971,200	(24,300)	946,900	11,366,100	9.1%	
Kirtland	3,358,400	39,100	6,500	3,404,000	(39,100)	\$241,400	55,414	58,828	17,509	14,777	54,737	30,939	9,236	443,700	16,600	460,300	3,864,300	13.5%	
Lake Michigan	5,702,700	52,400	13,100	5,768,200	(52,400)	\$303,300	94,095	27,959	25,466	25,092	91,679	23,310	15,682	554,200	(700)	553,500	6,321,700	9.6%	
Lansing	32,852,000	280,600	122,700	33,255,300	(280,600)	\$1,514,400	542,059	150,361	148,934	165,173	384,431	33,119	90,343	2,748,200	(12,400)	2,735,800	35,991,100	8.2%	
Macomb	34,276,100	330,300	23,300	34,629,700	(330,300)	\$1,799,200	565,556	163,614	146,782	171,267	621,140	36,613	94,259	3,268,100	15,200	3,283,300	37,913,000	9.5%	
Mid Michigan	5,184,400	58,000	153,900	5,396,300	(58,000)	\$301,100	85,543	30,840	22,333	22,811	99,676	25,612	14,257	544,200	(56,300)	487,900	5,884,200	9.0%	
Monroe	4,746,200	51,200	700	4,798,100	(51,200)	\$283,100	78,312	30,207	25,120	20,883	81,593	33,931	13,052	515,000	700	515,700	5,313,800	10.7%	
Montcalm	3,570,600	37,200	4,800	3,612,600	(37,200)	\$207,100	58,915	15,711	22,737	15,711	52,268	31,949	9,819	377,000	3,700	380,700	3,993,300	10.5%	
Mott	16,440,000	142,500	41,000	16,623,500	(142,500)	\$724,100	271,260	72,336	68,768	72,336	161,366	32,806	45,210	1,305,700	(12,200)	1,293,500	17,917,000	7.8%	
Muskegon	9,289,100	85,100	57,500	9,431,700	(85,100)	\$488,700	153,270	56,836	37,959	61,094	117,883	36,103	25,545	892,300	(15,500)	876,800	10,308,500	9.3%	
North Central	3,389,300	42,200	181,200	3,612,700	(42,200)	\$249,300	55,924	23,644	20,335	34,643	72,950	32,448	9,321	456,400	(17,300)	439,100	4,051,800	12.2%	
Northwestern	9,567,100	88,600	251,200	9,906,900	(88,600)	\$483,600	157,857	52,677	34,692	63,486	118,741	29,827	26,310	878,600	(95,700)	782,900	10,689,800	7.9%	
Oakland	22,211,700	240,000	33,500	22,485,200	(240,000)	\$1,383,500	366,493	129,589	149,299	119,106	522,866	35,048	61,082	2,527,000	2,300	2,529,300	25,014,500	11.2%	
Schoolcraft	13,196,200	151,700	38,800	13,386,700	(151,700)	\$817,600	217,738	64,927	89,353	77,404	295,424	36,460	36,290	1,483,500	(17,600)	1,465,900	14,852,600	11.0%	
Southwestern	6,979,400	68,400	34,100	7,081,900	(68,400)	\$388,700	115,160	39,576	21,795	30,709	73,069	29,244	19,193	709,000	(7,000)	702,000	7,783,900	9.9%	
St. Clair	7,385,200	78,400	15,100	7,478,700	(78,400)	\$441,500	121,856	33,654	51,740	54,603	130,455	28,897	20,309	804,600	3,500	808,100	8,286,800	10.8%	
Washtenaw	13,855,900	189,400	35,300	14,080,600	(189,400)	\$1,094,900	228,623	74,337	226,967	82,737	405,234	38,904	38,104	2,000,400	(11,600)	1,988,800	16,069,400	14.1%	
Wayne County	17,593,400	173,700	15,000	17,782,100	(173,700)	\$861,000	290,291	77,411	88,334	77,411	248,348	48,382	54,774	1,548,300	(6,400)	1,541,900	19,324,000	8.7%	
West Shore	2,585,600	24,800	20,200	2,630,600	(24,800)	\$148,800	42,662	23,301	11,397	11,377	33,975	18,995	7,110	272,800	1,000	273,800	2,904,400	10.4%	
Subtotal Operations:	\$323,654,200	\$3,236,500	\$1,692,700	\$328,583,400	(\$3,236,500)	\$17,801,100	\$5,340,300	\$1,780,100	\$1,780,100	\$1,780,100	\$5,340,300	\$890,050	\$890,050	\$32,365,700	(\$306,500)	\$32,059,200	\$360,642,600	9.8%	
MPERS Normal Cost Offset				\$11,700,000															
MPERS Retiree Health Care				1,733,600											(\$900,000)	(\$900,000)	\$10,800,000	(7.7%)	
MPERS Reform Costs				87,200,000											5,286,400	5,286,400	7,020,000	304.9%	
Renaissance Zone Reimbursements				2,200,000											5,400,000	5,400,000	92,600,000	6.2%	
Total Appropriations:				\$431,417,000	(\$3,236,500)	\$17,801,100	\$5,340,300	\$1,780,100	\$1,780,100	\$1,780,100	\$5,340,300	\$890,050	\$890,050	\$32,365,700	\$9,479,900	\$41,845,600	\$473,262,600	9.7%	
State School Aid Fund				431,417,000	(\$3,236,500)	\$17,801,100	\$5,340,300	1,780,100	1,780,100	1,780,100	5,340,300	890,050	890,050	\$32,365,700	9,479,900	\$41,845,600	473,262,600	9.7%	
GF/GP				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%	

