

Executive

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	FY 2017-18 Year-to-Date	FY 2018-19	Difference: FY 2 Vs. FY 2017-	
	as of 2/8/18	Executive	Amount	%
IDG/IDT	\$0	\$0	\$0	
Federal	1,726,943,500	1,724,743,500	(2,200,000)	(0.1)
Local	0	0	0	
Private	0	0	0	
Restricted	12,642,370,400	12,866,225,300	223,854,900	1.8
GF/GP	215,000,000	45,000,000	(170,000,000)	(79.1)
Gross	14,584,313,900	14,635,968,800	51,654,900	0.4

Notes: (1) FY 2017-18 year-to-date figures include mid-year budget adjustments through February 8, 2018. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

<u>Overview</u>

The School Aid budget makes appropriations to the state's 539 local school districts, 294 public school academies, and 56 intermediate school districts (ISDs) for operations and certain categorical programs. It also appropriates funds to the Michigan Department of Education (MDE), Center for Educational Performance and Information (CEPI), the Workforce Development Agency, and other entities to implement certain grants and other programs related to K-12 education.

Major Budget Changes From FY 2017-18 Year-to-Date (YTD) Appropriations		FY 2017-18 YTD (as of 2/8/18)	Executive Change <u>from YTD</u>
1. Foundation Allowances (Secs. 22a and 22b) Increases by \$312.0 million to provide increases ranging from \$120 to \$240 per pupil using the 2x formula. The minimum foundation allowance would increase from \$7,631 to \$7,871 (3.1%), and the state maximum guaranteed foundation allowance would increase from \$8,289 to \$8,409 (1.4%).	Gross Restricted GF/GP	\$9,219,300,000 9,073,560,500 \$145,739,500	\$312,000,000 447,611,700 (\$135,611,700)
2. Shared-Time Instruction for Nonpublic Pupils (Sec. 23f) – NEW Revises state support of shared-time instruction for nonpublic pupils from a per-pupil foundation allowance to a categorical program. Caps the number of pupils for whom a district is eligible for reimbursement at 5% of the district's per pupil membership and limits participation to pupils in grades 1 to 12, excluding kindergarten. Results in a reduction of \$68.0 million leaving an estimated cost of \$64.1 million. (See Major Boilerplate Changes below for related Sec. 166b revisions.)	Gross Restricted GF/GP	N/A N/A N/A	(\$68,000,000) (68,000,000) \$0
3. Foundation Allowances – Cyber Schools Reduction (Secs. 22a and 22b) Reduces cyber school foundation allowances to 75% of the minimum foundation allowance at an estimated savings of \$25.0 million. For FY 2018-19 the cyber foundation allowance would be \$5,903.	Gross Restricted GF/GP	N/A N/A N/A	(\$25,000,000) (25,000,000) \$0
4. Career and Technical Education (CTE) Skilled Trades Initiative (Sec. 61c) Eliminates \$12.5 million GF/GP including equipment grants for career education planning districts (CEPDs) (\$7.0 million), CTE equipment and innovation competitive grants (\$5.0 million), and mechatronics grants (\$500,000).	Gross Restricted GF/GP	\$12,500,000 0 \$12,500,000	(\$12,500,000) 0 (\$12,500,000)
5. CTE Per Pupil Incentive Payment (Sec. 61d) – NEW Provides \$5.0 million SAF to provide \$25 per pupil for pupils in grades 9 to 12 enrolled in CTE programs and an additional \$25 per pupil for those in CTE programs identified as "critical skills" programs. (See <i>Major Boilerplate Changes</i> below.)	Gross Restricted GF/GP	\$0 0 \$0	\$5,000,000 5,000,000 \$0
6. Flint Declaration of Emergency (Sec. 11s) Reduces by \$5.5 million to a total of \$3.2 million to continue to provide additional school nurses and school social workers in Flint Public Schools (\$2.3 million) and nutritional services to children in Flint (\$605,000).	Gross Restricted GF/GP	\$8,730,100 0 \$8,730,100	(\$5,500,000) 0 (\$5,500,000)

Major Budget Changes From FY 2017-18 Year-to-Date (YTD) Appropriations		FY 2017-18 YTD (as of 2/8/18)	Executive Change <u>from YTD</u>
7. <i>Partnership Models (Sec. 21h)</i> Increases by \$2.0 million SAF to a total of \$8.0 million to provide funding for interventions in districts identified as needing additional academic supports.	Gross Restricted GF/GP	\$6,000,000 6,000,000 \$0	\$2,000,000 2,000,000 \$0
8. At Risk Program (Sec. 31a) Maintains funding of \$499.0 million SAF for at-risk pupil support programs but revises program requirements. (See <i>Major Boilerplate Changes</i> below.)	Gross Restricted GF/GP	\$499,000,000 499,000,000 \$0	\$0 0 \$0
9. Early Literacy Implementation (Sec. 35) Reduces by \$1.0 million GF/GP to move to the MDE budget.	Gross Restricted GF/GP	\$1,000,000 0 \$1,000,000	(\$1,000,000) 0 (\$1,000,000)
10. Special Education (Secs. 51a, 51c, 51d, 53a, 54, and 56) Updated to reflect revised consensus cost estimates for special education costs.	Gross Federal Restricted GF/GP	\$1,387,746,100 \$431,000,000 956,246,100 \$500,000	\$23,100,000 0 23,100,000 \$0
11. Special Ed Task Force: Mediation and Parental Supports (Sec. 54c) – NEW Provides \$500,000 GP/GP total including \$205,000 to enhance the capacity of the Michigan Alliance for Families – Michigan's Parent Training Information Center and \$295,000 to improve mediation services offered through the Michigan Special Education Mediation Program.		\$0 0 \$0	\$500,000 0 \$500,000
12. Special Ed Task Force: Early On (Sec. 54d) – NEW Provides \$5.0 million SAF for competitive grants to ISDs to provide Early On services including early identification and interventions for children birth to 3 years old with developmental delays or disabilities and their families.	Gross Restricted GF/GP	\$0 0 \$0	\$5,000,000 5,000,000 \$0
13. <i>FIRST Robotics (Sec. 99h)</i> Reduces \$300,000 GF/GP for nonpublic schools participation but maintains \$2.5 million for districts and expands to include ISDs.	Gross Restricted GF/GP	\$2,800,000 2,500,000 \$300,000	(\$300,000) 0 (\$300,000)
14. <i>MiSTEM Centers Reorganization (Secs. 99r and 99s)</i> Reduces MiSTEM programming by \$1.4 million bringing it to a total of \$11.4 million. Continues the transition of funding 16 MiSTEM regions rather than 33 Math and Science Centers. Provides each MiSTEM region \$200,000 in base funding and distributes the remaining funds to regions on an equal per pupil basis based on prior year pupil counts. Also provides \$750,000 total to those MiSTEM network regions able to provide curriculum and professional development support to assist districts implementing the Michigan Merit curriculum components for math and science. Increases MiSTEM director, staff support, and MiSTEM council costs by a total of \$200,000. Recognizes a \$1.2 million reduction in available federal funding. Eliminates Van Andel Education Institute grant (\$150,000 GF/GP).	Gross Federal Restricted GF/GP	\$12,784,300 4,700,000 6,234,300 \$1,850,000	(\$1,350,000) (1,200,000) 1,200,000 (\$1,350,000)
15. Education Assessments (Sec. 104) Reduces Education Assessments by \$3.7 million SAF to a total of \$37.3 million. Reduces funding for the online student data reporting tool from \$3.2 million SAF to \$500,000 to move from development to maintenance. Removes \$1.0 million SAF for the Michigan kindergarten entry observation tool pilot.	Gross Federal Restricted GF/GP	\$40,959,400 6,250,000 34,709,400 \$0	(\$3,700,000) (3,700,000) 0 \$ 0
 16. MPSERS Payments (Secs. 147a, 147c, and 147e) Decreases total state support for K-12 MPSERS costs by \$74.5 million to a total of \$1.3 billion with the following changes: Eliminates a one-time \$200.0 million additional deposit to accelerate the payoff of the 2010 early retirement incentive. (Sec.147c(2)) Increases state share of UAAL payments by \$71.9 million. (Sec. 147c(1)) Increases state support of higher employer normal costs resulting from the 2nd year of phasing in a reduced assumed rate of return from 8.0% to 7.5% by \$39.2 million. (Sec. 147a(2)) Increases state support of higher defined contribution and hybrid plan costs required under PA 92 of 201 by \$14.5 million. (Sec. 147e) 	Gross Restricted GF/GP	\$1,332,853,000 1,332,170,000 \$683,000	(\$74,414,000) (74,479,000) \$65,000

Major Budget Changes From FY 2017-18 Year-to-Date (YTD) Appropriations	F	Y 2017-18 YTD (as of 2/8/18)	Executive Change <u>from YTD</u>	
 17. Eliminated Categorical Grants Reduces by \$23.4 million by eliminating the following: Sec. 21j - Competency-Based Education Grants (\$500,000) Sec. 31b - Year-round Instruction Grants (\$1.5 million) Sec. 31j - Local Produce in School Meals (\$375,000) Sec. 32q - Early Learning Cooperative (\$175,000) Sec. 35a(6) - Early Literacy - Michigan Education Corps (\$2.5 million) Sec. 55 - Conductive Learning Study (\$150,000) Sec. 61a(4) - CTE Restaurant Curriculum (79,000) Sec. 61a(5) & (6) - CTE Counselors (1,160,000) Sec. 64d - Information Technology Certifications (\$2.3 million) Sec. 65 - Detroit Area PreCollege Engineering Program (\$340,000) Sec. 95b - Statewide Evaluation Tool (\$1.0 million) Sec. 99k - Cyber Security Competitions (\$500,000) Sec. 99k - Online Algebra Tool (\$1.1 million) Sec. 102d - Financial Data Analysis Tools (\$1.5 million) Sec. 104d - Computer Adaptive Tests (\$4.0 million) Sec. 104e - Digital Learning Preparation (\$250,000) Sec. 152b - Nonpublic School Reimbursement (\$2.5 million) 	Gross Restricted GF/GP	\$23,429,000 8,985,000 \$14,444,000	(\$23,429,000) (8,985,000) (\$14,444,000)	
 18. Other Major Cost Adjustments Revises the following to reflect updated cost estimates: Sec. 11m – Increases Cash Flow Borrowing by \$17.5 million to \$24.0 million. Sec. 26a – Decreases Renaissance Zone Reimbursements by \$2.0 million to \$15.0 million. Sec. 26a – Increases Promise Zone Funding by \$15.5 million to \$2.0 million. 	Gross Restricted GF/GP	N/A N/A N/A	\$17,648,900 17,648,900 \$0	

• Sec. 26c – Increases Promise Zone Funding by \$1.5 million to \$3.0 million.

• Sec. 31d – Increases School Lunch state costs by \$648,900 to \$23.1 million.

Major Boilerplate Changes From FY 2017-18

Sec. 15. State Aid Allocation Adjustments - REVISED

Reduces maximum allowable repayment period for district state aid payment deductions resulting from an audit from 9 years to 4 and eliminates option for state Superintendent to waive repayment under certain circumstances, reversing changes made in FY 2017-18.

Sec. 18(12). Virtual Course Cost Report - REVISED

Currently requires that districts report cost information for virtual courses provided through Section 21f. Expands to include cyber schools, whose courses are not offered through Sec. 21f.

Sec. 19. State and Federal Reporting Requirements - REVISED

In addition to the graduation report information, requires that districts submit data necessary for state and federal accountability reports, both in November and June. Revises June 30 to the last business day in June. Revises required district appeal process for accountability designations to require MDE to utilize data that was certified as accurate and complete after districts and ISDs have adhered to deadlines, data quality reviews, and correction processes leading to local certification of final student data. Changes to allow districts and ISDs to appeal "any calculation errors used in the preparation of accountability metrics" rather than a designation.

Major Boilerplate Changes From FY 2017-18

Sec. 23f. Shared-Time Pupil Payments - REVISED

In addition to capping pupils at 5% of a district's membership and eliminating kindergarten, requires the following to receive funding: (a) That a district ensure that all individuals that have student contact as part of a course offered under Sec. 166b have not been convicted of sexual misconduct and receive the same criminal history and criminal records checks as employees of the district as required by state statute.

(b) That a district ensure that if a course offered under Sec. 166b has an associated optional experience, it must be offered on a schedule to make it fully available to the majority of pupils in the district in the same grade level or age groups as the pupils participating in the course under Sec. 166b.

(c) That the district provide MDE information necessary to quantify the following:

(i) A complete listing of all courses in which students reported for membership in the district have been served.

(ii) Course enrollments by each participant using local coding and the school codes for the exchange of data (SCED).

(iii) Identification of the course teacher or mentor.

(iv) Outcomes for each student in each course.

Sec. 31a. At Risk Program – REVISED

Expands to add an additional purpose for the program: that districts implement with fidelity a multi-tiered system of supports (MTSS). Condenses MTSS components to the following: (a) Team-based leadership; (b) Tiered delivery system; (c) Selection and implementation of instruction, interventions, and supports; (d) Comprehensive screening and assessment system; and (e) Continuous data-based decision making.

Expands to require that districts comply with MCL 380.1280f and use resources to address early literacy for grades K-12 instead of K-3. Adds focus on numeracy for K-12. Requires a district to implement MTSS in grades K-8 instead of 4-8.

Requires that for English learners, a district implement culturally and linguistically responsive teaching strategies focused on academic language development aligned with state English language arts (ELA) proficiency standards.

Revises consequences beginning in FY 2018-19 for districts that are below the statewide average based on the number of economically disadvantaged pupils proficient in either ELA by the end of 3rd grade or math by the end of 8th grade or career and college ready by the end of 11th grade based on statewide assessments given in FY 2017-18. Requires those districts to meet either the statewide average by FY 2020-21 or see an improvement of at least 10 percentage points in the number of economically disadvantaged pupils who are proficient by FY 2020-21. For a district that fails to meet those goals by FY 2020-21, requires it to conduct an evaluation in coordination with MDE and other stakeholders, adopt a school improvement plan based on recommendations from that evaluation, and spend At Risk funds only in accordance with that plan.

Increases amount that may be used on professional development to 5% and expands to include implementing a coaching model that supports the MTSS framework.

For a district that may use funds for schoolwide reform, increases share of pupil membership that must be economically disadvantaged from 40% to at least 50%. Requires that the schoolwide reforms also be tier 1 evidence-based high quality academic, behavioral, and social-emotional instruction, and part of a district's MTSS framework. Schoolwide reforms must be guided by district's comprehensive needs assessment and must feature parent and community supports, activities, and services, which may include Pathways to Potential or Communities in Schools programs.

Sec. 35a. Early Literacy - REVISED

Requires the State Superintendent to designate people employed or contracted with funds from this section as critical shortage for the purposes of allowing retirees to work without reducing their pensions under the Public School Employees Retirement Act, MCL 38.1361. However, the critical shortage subsection is currently set to expire on July 1, 2018.

Sec. 61d. Per Pupil Incentive Payment - NEW

Defines a CTE program that qualifies for the additional \$25 payments for critical skills programs as one classified under any of the following CIP codes:

(i) 01 – Agriculture

(ii) 03 – Natural Resources and Conservation

(iii) 10 through 11 – Communications Technologies and Support Services and Computer and Information Sciences and Support Services

(iv) 14 through 15 - Engineering and Engineering technologies and related fields

(v) 26 – Biological and Biomedical Sciences

(vi) 46 through 48 – Construction Trades, Mechanic and Repair Technologies, and Precision Production (vii) 51 – Health Professions and related programs.

Sec. 104c. State Assessments – REVISED

Moves state assessment for science from grades 4 and 7 to 5 and 8. Deletes requirement that MDE approve at least 3 benchmark assessments for district use. Requires MDE to provide guidance to districts on optionally adopting and implementing department-approved benchmark assessments for grades 3 to 7 in ELA and math and to recommend that districts commit to using the same benchmark assessment for no less than 3 years without switching to another benchmark assessment.

Major Boilerplate Changes From FY 2017-18

Sec. 164g. Legal Action Against the State - DELETED

Establishes a penalty in an amount equal to the amount spent if a district or ISD uses state funding to pay for an expense relating to any legal action initiated by the district or ISD against the state.

Sec. 164h. Title - DELETED

Establishes a penalty in an amount equal to 5% of a district or ISD's total state aid if it enters into a collective bargaining agreement that does any of the following: Establishes racial or religious preferences; Automatically deducts union dues from paychecks; Is in conflict with any state or federal transparency laws; Uses a method of compensation that does not comply with Sec. 380.1250.

Sec. 166b. Shared-Time Instruction for Nonpublic Pupils - REVISED

Requires that an applicable curricular offering include optional experiences associated with the curricular offering, and that the optional experience must also be available to the district's full-time pupils in the same grade level or age group. Eliminates kindergarten from allowable shared-time instruction. Revises definition for grades 9-12 nonessential courses from courses other than the specific subjects mentioned or those "that fulfill the same requirement credit requirement" to "those that <u>can</u> fill the same credit requirement".

Supplemental Recommendations for FY 2017-18 Appropriations		FY 2017-18 Recommendation
1. GF/GP and SAF Revenue Shift Includes a fund shift of \$137.0 million reducing GF/GP from \$215.0 million to \$78.0 million and replacing it with SAF.	Gross Restricted GF/GP	\$0 137,000,000 (\$137,000,000)
2. Cash Flow Borrowing (Sec. 11m) Increases by \$11.5 million SAF to a total of \$18.0 million to reflect updated cost estimates for the interest costs of inter-fund borrowing between the School Aid Fund and the General Fund to balance the timing of revenue collections and required state aid payments.	Gross Restricted GF/GP	\$11,500,000 11,500,000 \$0
3. Foundation Allowances (Secs. 22a and 22b) Reduces by \$24.3 million SAF to a total of \$9.2 billion to reflect updated consensus cost estimates for pupil membership counts and taxable values.	Gross Restricted GF/GP	(\$24,300,000) (24,300,000) \$0
4. Special Education (Secs. 51a, 51c, 51d, 53a, 54, and 56) Increases by a total \$3.2 million SAF to reflect revised consensus cost estimates based on actual FY 2016-17 year-end special education costs data. Total estimated special education costs for FY 2017-18 are \$1.4 billion.	Gross Restricted GF/GP	\$3,200,000 3,200,000 \$0
5. Renaissance Zone Reimbursements (Secs. 26a) Reduces reimbursement payments by \$2.0 million SAF to a total of \$15.0 million. Estimated reimbursement payments required by statute have decreased due to recent Personal Property Tax reform.	Gross Restricted GF/GP	(\$2,000,000) (2,000,000) \$0
6. School Lunch Programs (Sec. 31d) Increases by \$306,900 SAF to ensure the state meets its obligation under Durant v. State of Michigan to fund 6.0127% of school lunch programs, bringing total to \$22.8 million SAF and \$532.2 million Federal.	Gross Restricted GF/GP	\$306,900 306,900 \$0
7. Promise Zone Funding (Sec. 26c) Increases by \$100,000 SAF to a total of \$1.6 million for required funds for districts and ISDs with approved Promise Zone development plans for the purposes of the local Promise Zone Authority.	Gross Restricted GF/GP	\$100,000 100,000 \$0

	HOUSE	FY 2017-18		FY 20	18-19	FY 2019-20		
	IFISCAL							
	AGENCY	YTD PA 143 of 2017	Change from	FY 18	Change from		Change from	
		Supplemental	YTD	Exec Revised	FY 18 YTD	FY 19 Exec	FY 19 Exec	FY 20 Exec
Sec.								
11j	School Bond Redemption Fund	\$125,500,000		\$125,500,000		\$125,500,000		\$125,500,000
11m	Cash Flow Borrowing Costs	\$6,500,000	\$11,500,000	\$18,000,000	\$17,500,000	\$24,000,000	\$7,000,000	\$31,000,000
11s 20f	Flint Declaration of Emergency	\$8,730,100		\$8,730,100	(\$5,500,000)	\$3,230,100	(\$3,230,100)	\$0
201 21h	Categorical Offset Payments Partnership Model Districts	\$18,000,000 \$6,000,000		\$18,000,000 \$6,000,000	\$2,000,000	\$18,000,000 \$8,000,000	(\$2,000,000)	\$18,000,000 \$6,000,000
21ii 21j	Competency-Based Education District Grants	\$500,000		\$500,000	(\$500,000)	\$0,000,000	(\$2,000,000) \$0	\$0,000,000
22a	Foundations: Proposal A Obligation Payment	\$5,181,800,000	(\$5,800,000)	\$5,176,000,000	(\$133,800,000)	\$5,048,000,000	(\$63,000,000)	\$4,985,000,000
22b	Foundations: Discretionary Payment	\$4,037,500,000	(\$18,500,000)	\$4,019,000,000	\$191,100,000	\$4,228,600,000	(\$9,600,000)	\$4,219,000,000
22d	Isolated District Funding	\$5,000,000		\$5,000,000		\$5,000,000		\$5,000,000
22m	Technology Regional Data Hubs	\$2,200,000		\$2,200,000		\$2,200,000		\$2,200,000
22n	High School Per Pupil Bonus	\$11,000,000		\$11,000,000		\$11,000,000		\$11,000,000
23f	Shared Time Pupils - NEW	\$0		\$0	\$64,100,000	\$64,100,000		\$64,100,000
24	Court-Placed Pupils	\$8,000,000		\$8,000,000	¢40.700	\$8,000,000		\$8,000,000
24a	Juvenile Detention Facility Programs	\$1,339,000		\$1,339,000	\$16,700	\$1,355,700		\$1,355,700
24c 25f	Youth ChalleNGe Program Strict Discipline Academy	\$1,528,400 \$750,000		\$1,528,400 \$750,000	\$17,000	\$1,545,400 \$750,000	┣────┤	\$1,545,400 \$750,000
25g	Dropout Recovery Programs	\$750,000		\$750,000		\$750,000		\$750,000
26g 26a	Renaissance Zone Reimbursement	\$17,000,000	(\$2,000,000)	\$15,000,000	(\$2,000,000)	\$15,000,000		\$15,000,000
26b	PILT Reimbursement	\$4,405,100	(\$2,000,000)	\$4,405,100	(\$2,000,000)	\$4,405,100		\$4,405,100
26c	Promise Zone Funding	\$1,500,000	\$100,000	\$1,600,000	\$1,500,000	\$3,000,000		\$3,000,000
31a	"At Risk" Pupil Support	\$499,000,000		\$499,000,000		\$499,000,000		\$499,000,000
31a(7)	School Based Health Centers	\$6,057,300		\$6,057,300		\$6,057,300		\$6,057,300
31a(8)	Hearing and Vision Screening	\$5,150,000		\$5,150,000		\$5,150,000		\$5,150,000
31b	Year-round Instruction Grants	\$1,500,000		\$1,500,000	(\$1,500,000)	\$0		\$0
31d	State School Lunch Programs	\$22,495,100	\$306,900	\$22,802,000	\$648,900	\$23,144,000	\$347,000	\$23,491,000
31d	Federal School Lunch Programs	\$523,200,000		\$523,200,000		\$523,200,000		\$523,200,000
31f	School Breakfast Program	\$4,500,000		\$4,500,000	(***********	\$4,500,000		\$4,500,000
31j	Local Produce in School Meals	\$375,000		\$375,000	(\$375,000)	\$0		\$0
32d 32p	Great Start Readiness Program Early Childhood Block Grants	\$243,900,000 \$13,400,000		\$243,900,000		\$243,900,000 \$13,400,000		\$243,900,000 \$13,400,000
32p 32q	Early Learning Cooperative	\$13,400,000		\$13,400,000 \$175,000	(\$175,000)	\$13,400,000		\$13,400,000
35	Early Literacy Implementation	\$1,000,000		\$1,000,000	(\$1,000,000)	\$0		\$0 \$0
35a(4)	Early Literacy Teacher Coaches	\$6,000,000		\$6,000,000	(\$1,000,000)	\$6,000,000		\$6,000,000
35a(5)	Early Literacy Added Instructional Time	\$20,900,000		\$20,900,000		\$20,900,000		\$20,900,000
35a(6)	Early Literacy - Michigan Education Corps	\$2,500,000		\$2,500,000	(\$2,500,000)	\$0		\$0
39a(1)	Federal NCLB/ESSA Grant Funds	\$731,600,000		\$731,600,000	(\$1,000,000)	\$730,600,000	(\$5,000,000)	\$725,600,000
39a(2)	Other Federal Funding	\$30,000,000		\$30,000,000		\$30,000,000		\$30,000,000
41	English Language Learner Grants	\$6,000,000		\$6,000,000		\$6,000,000		\$6,000,000
51a(1)	Special Education - Federal Reimbursement	\$370,000,000	÷ -	\$370,000,000		\$370,000,000		\$370,000,000
51a(2)	Special Ed ISD Foundation and Costs	\$264,200,000	\$2,200,000	\$266,400,000	\$7,900,000	\$272,100,000	\$5,900,000	\$278,000,000
51a(3)	Special Ed ISD Hold Harmless Payment	\$1,000,000		\$1,000,000	\$100,000	\$1,100,000		\$1,100,000
51a(6)	Special Ed Admin Rules Changes	\$2,200,000	(\$300,000)	\$2,200,000	(\$200.000)	\$2,200,000 \$3,400,000	(\$200,000)	\$2,200,000
51a(11) 51a(16)	Special Ed Foundations for Non Sec. 52 to ISDs Special Ed ISD Compliance Reimbursement	\$3,600,000 \$500,000	(\$300,000)	\$3,300,000 \$500,000	(\$200,000)	\$3,400,000	(\$200,000)	\$3,200,000 \$500,000
51a(16) 51c	Special Ed ISD Compliance Reimbursement Special Ed Headlee Obligation (Durant)	\$635,300,000	\$1,300,000	\$636,600,000	\$15,300,000	\$650,600,000	\$14,400,000	\$665,000,000
51d	Special Education - Other Federal Grants	\$61,000,000	ψ1,000,000	\$61.000.000	φ10,000,000	\$61,000,000	ψι-,400,000	\$61,000,000
53a	Special Ed for Court Placed Pupils	\$10,500,000		\$10,500,000	++	\$10,500,000	+	\$10,500,000
54	Special Ed Michigan School Blind/Deaf	\$1,688,000		\$1,688,000		\$1,688,000		\$1,688,000
54b	Special Education Task Force Reforms (MiBLSI)	\$1,600,000		\$1,600,000		\$1,600,000		\$1,600,000
54c	Spec. Ed. Task Force - Mediation and Parental Supports - NEW	\$0		\$0	\$500,000	\$500,000		\$500,000
54d	Spec. Ed. Task Force - Early On - NEW	\$0		\$0	\$5,000,000	\$5,000,000		\$5,000,000
55	Conductive Learning Study	\$150,000		\$150,000	(\$150,000)	\$0		\$0
56	Special Ed ISD Millage Equalization	\$37,758,100		\$37,758,100		\$37,758,100		\$37,758,100
61a	Career & Tech Ed Programs	\$37,850,300		\$37,850,300	(\$1,239,000)	\$36,611,300		\$36,611,300
61b	Career & Tech Ed Early/Middle College	\$8,000,000		\$8,000,000	(\$10 - 50 - 50	\$8,000,000		\$8,000,000
61c	Career & Tech Ed Equipment Upgrades	\$12,500,000		\$12,500,000	(\$12,500,000)	\$0		\$0
61d	CTE Incentive Payment - NEW	\$0		\$0 \$9,190,000	\$5,000,000	\$5,000,000		\$5,000,000
62	ISD Career & Tech Ed Millage Equalization	\$9,190,000		\$9,190,000		\$9,190,000		\$9,190,000

	HOUSE		FY 2017-18		FY 2	018-19	FY 2019-20		
		YTD PA 143 of 2017 Supplemental	Change from YTD	FY 18 Exec Revised	Change from FY 18 YTD	FY 19 Exec	Change from FY 19 Exec	FY 20 Exec	
Sec.									
64b	Dual Enrollment Incentive Payments	\$1,750,000		\$1,750,000		\$1,750,000		\$1,750,000	
64d	Information Technology Certifications	\$2,300,000		\$2,300,000	(\$2,300,000)	\$0		\$0	
65	Detroit PreCollege Engineering	\$340,000		\$340,000	(\$340,000)	\$0		\$0	
67	Career and College Readiness Tools	\$3,000,000		\$3,000,000		\$3,000,000		\$3,000,000	
67a	Online Career Preparation	\$1,000,000		\$1,000,000	(\$1,000,000)	\$0		\$0	
74	School Bus Driver Safety Instruction	\$2,025,000		\$2,025,000		\$2,025,000		\$2,025,000	
74	School Bus Inspections	\$1,705,300		\$1,705,300	\$24,600	\$1,729,900		\$1,729,900	
81	ISD General Operations Support	\$67,108,000		\$67,108,000		\$67,108,000		\$67,108,000	
94	Advanced Placement (AP) Incentive Program	\$750,000		\$750,000		\$750,000		\$750,000	
94a	Center for Educational Performance and Information	\$16,216,000		\$16,216,000	\$140,700	\$16,356,700		\$16,356,700	
94a	Center for Educational Performance and Info - Federal	\$193,500		\$193,500		\$193,500		\$193,500	
95b	Statewide Evaluation Tool	\$2,500,000		\$2,500,000	(\$2,500,000)	\$0		\$0	
98	Michigan Virtual University	\$7,387,500		\$7,387,500	((, , , , , , , , , , , , , , , , , ,	\$7,387,500		\$7,387,500	
99h	FIRST Robotics	\$2,800,000		\$2,800,000	(\$300,000)	\$2,500,000		\$2,500,000	
99k	Cyber Security Competitions	\$500,000		\$500,000	(\$500,000)	\$0		\$0	
99r	MISTEM Staff	\$250,000		\$250,000	\$150,000	\$400,000		\$400,000	
	MiSTEM Council and Grants - Council	\$2,900,000		\$2,900,000	\$50,000	\$2,950,000		\$2,950,000	
99s(4)	MiSTEM Grants - Math and Science Centers - State	\$3,299,300		\$3,299,300	(\$3,299,300)	\$0		\$0	
99s(4)	MiSTEM Grants - Math and Science Centers - Federal	\$4,700,000		\$4,700,000	(\$1,200,000)	\$3,500,000		\$3,500,000	
	MISTEM Centers Transition	\$1,485,000		\$1,485,000	\$3,099,300	\$4,584,300		\$4,584,300	
99s(6)	MiSTEM Grants - Van Andel Education Institute	\$150,000		\$150,000	(\$150,000)	\$0		\$0	
99t	Online Algebra Tool	\$1,100,000		\$1,100,000	(\$1,100,000)	\$0		\$0	
99u	Online Mathematics Tool	\$1,000,000		\$1,000,000	(\$1,000,000)	\$0		\$0	
102d	Financial Data Analysis Tools	\$1,500,000		\$1,500,000	(\$1,500,000)	\$0		\$0 \$0	
1024	Education Assessments - State	\$34,709,400		\$34,709,400	(\$3,700,000)	\$31,009,400		\$31,009,400	
104	Education Assessments - Federal	\$6,250,000		\$6,250,000	(\$0,700,000)	\$6,250,000		\$6,250,000	
104 104d	Computer Adaptive Test	\$4,000,000		\$4,000,000	(\$4,000,000)	\$0		\$0	
104e	Digital Learning Prep	\$250,000		\$250,000	(\$250,000)	\$0		\$0	
1040	Adult Education	\$27,000,000		\$27,000,000	(\$200,000)	\$27,000,000		\$27,000,000	
147a	MPSERS Cost Offset	\$100,000,000		\$100,000,000		\$100,000,000		\$100,000,000	
147a(2)	MPSERS Normal Cost Offset	\$48,969,000		\$48,969,000	\$39,170,000	\$88,139,000		\$88,139,000	
147a(2) 147c(1)	MPSERS State Share of Unfunded Liability Payments	\$960,784,000		\$960,784,000	\$71,916,000	\$1,032,700,000	\$35,800,000	\$1,068,500,000	
147c(1) 147c(2)	MPSERS One-time Unfunded Liability Payment	\$200,000,000		\$200,000,000	(\$200,000,000)	\$0	\$00,000,000	\$0	
147e(2)	MPSERS SB 401 Added Costs	\$23,100,000		\$23,100,000	\$14,500,000	\$37,600,000	\$14,200,000	\$51,800,000	
152a	Adair - Database Payment	\$38,000,500		\$38,000,500	φ14,000,000	\$38.000.500	ψ1-1,200,000	\$38,000,500	
152b	Nonpublic School Reimbursement	\$2,500,000		\$2,500,000	(\$2,500,000)	\$0		\$0	
	TOTAL APPROPRIATIONS	\$14,584,313,900	(\$11,193,100)		\$51,654,900	\$14,635,968,800	(\$5,383,100)	\$14,630,585,700	
		\$14,004,010,000	(#11,100,100)	÷,010,120,000	401,004,000	+,000,000,000	(\$0,000,100)	÷.+,000,000,700	
	REVENUE BY SOURCE								
	Federal Aid	\$1,726,943,500	\$0	\$1,726,943,500	(\$2,200,000)	\$1,724,743,500	(\$5,000,000)	\$1,719,743,500	

REVENUE BY SOURCE								
Federal Aid	\$1,726,943,500	\$0	\$1,726,943,500	(\$2,200,000)	\$1,724,743,500	(\$5,0	00,000)	\$1,719,743,500
School Aid Fund	\$12,547,270,300	\$125,806,900	\$12,673,077,200	\$215,054,900	\$12,762,325,200	\$31,5	17,000	\$12,793,842,200
MPSERS retirement obligation reform Reserve Fund	\$23,100,000	\$0	\$23,100,000	\$8,800,000	\$31,900,000	(\$31,9	00,000)	\$0
Community District Trust Fund/Other Restricted Fund	\$72,000,100	\$0	\$72,000,100	\$0	\$72,000,100		(\$100)	\$72,000,000
General Fund/General Purpose	\$215,000,000	(\$137,000,000)	\$78,000,000	(\$170,000,000)	\$45,000,000		\$0	\$45,000,000
TOTAL REVENUE	\$14,584,313,900	(\$11,193,100)	\$14,573,120,800	\$51,654,900	\$14,635,968,800	(\$5,3	83,100)	\$14,630,585,700

SCHOOL AID FUND (SAF) BALANCE SHEET FYs 2018, 2019, 2020: Exec Rec with SB 748 Revisions (Dollars in Millions)

	Enacted	Exec Revised	Exec	Exec
	FY 2017-18	FY 2017-18	FY 2018-19	FY 2019-20
TOTAL BEGINNING BALANCE	\$377.4	\$377.4	\$91.9	(\$13.7)
ESTIMATED REVENUE				
SCHOOL AID FUND (SAF) REVENUE				
Jan 2018 Revenue Estimates - CREC	\$13,084.5	\$13,084.5	\$13,464.0	\$13,822.7
Sales Tax on the Difference (SB94/95)	(\$0.2)	(\$0.2)	(\$2.0)	(\$4.2)
Additional Income Tax Revenue from Federal Tax Reform	(\$3.3)	(\$3.3)	\$2.4	\$10.5
SB 748 - Increase Income Tax Personal Exemptions	(\$1.8)	(\$1.8)	(\$17.0)	(\$34.8)
Michigan Venture Fund	\$0.0	\$0.0	\$0.0	(\$6.0)
Subtotal: SAF Revenue	\$13,079.2	\$13,079.2	\$13,447.4	\$13,788.2
OTHER REVENUE ADJUSTMENTS				
General Fund/General Purpose (GF/GP) Grant	\$215.0	\$78.0	\$45.0	\$45.0
Detroit Public Schools Trust Fund	\$72.0	\$72.0	\$72.0	\$72.0
MPSERS retirement obligation reform reserve fund	\$23.1	\$23.1	\$31.9	\$0.0
Federal Aid	\$1,726.9	\$1,726.9	\$1,724.7	\$1,719.7
Prior Year Adjustments	\$ <u>0.0</u>	\$ <u>0.0</u>	\$ <u>0.0</u>	\$ <u>0.0</u>
Subtotal: Other Revenue	\$2,037.0	\$1,900.0	\$1,873.6	\$1,836.7
TOTAL REVENUE	\$15,116.2	\$14,979.2	\$15,321.0	\$15,624.9
ESTIMATED EXPENDITURES				
ESTIMATED SCHOOL AID EXPENDITURES				
Ongoing Baseline	\$14.584.3	\$14,584.3	\$14,636.0	\$14.630.6
HB 5093 (LaFave-MPSERS DC fix)	\$2.0	\$0.0	<i>Q</i> 1 1,000.0	<i>Q</i> 1 1,00010
FY 17 Lapse, FY 18 Consensus Cost Revisions	(\$9.5)	<u>(\$11.2)</u>		
Subtotal: SCHOOL AID EXPENDITURES	\$14,576.8	\$14,573.1	\$14,636.0	\$14,630.6
SAF Deposit into MPSERS Reserve	\$55.0	\$55.0		
Community Colleges	\$398.3	\$398.3	\$405.0	\$407.7
Higher Education	\$238.3	\$238.3	\$385.6	\$386.6
Subtotal: Post Secondary Expenditures	\$636.6	\$636.6	\$790.6	\$794.3
TOTAL EXPENDITURES	\$15,268.4	\$15,264.7	\$15,426.6	\$15,424.9
Current Year: Revenues - Expenditures	(\$152.2)	(\$285.5)	(\$105.6)	\$200.0
TOTAL ENDING BALANCE	\$225.2	\$91.9	(\$13.7)	\$186.3