

DEPARTMENT OF EDUCATION
Summary: FY 2010-11 Executive Budget
Recommendation



Analysts: Mary Ann Cleary and Bethany Wicksall

	FY 2009-10 Year to Date	FY 2010-11 Executive	FY 2010-11 Senate	FY 2010-11 House	FY 2010-11 Conference	Difference: Executive From FY 2009-10 YTD	
						Amount	%
IDG/IDT	\$0	\$0	\$0	\$0	\$0	\$0	--
Federal	76,297,900	93,936,700				17,638,800	23.1
Local	7,008,700	7,220,000				211,300	3.0
Private	3,096,500	3,124,500				28,000	0.9
Restricted	7,038,900	6,992,900				(46,000)	(0.7)
GF/GP	19,429,600	20,011,900				582,300	3.0
Gross	\$112,871,600	\$131,286,000				18,414,400	16.3
FTEs	544.5	552.5				8.0	1.5

Note: FY 2009-10 appropriation figures do not reflect the impact of executive order, supplemental, or transfer adjustments made after the release of the FY 2010-11 Executive Budget on February 11.

Overview

The State Board of Education is an eight-member elected board constitutionally mandated to provide leadership and supervision for public education in Michigan. The Michigan Department of Education (MDE) is the administrative arm of the Board charged with implementing state and federal educational mandates and administering programs. Major responsibilities of the MDE include developing and overseeing the K-12 school system, certifying teachers, disbursing funds to educational organizations, and providing technical assistance to school districts.

Major Budget Changes From FY 2009-10 YTD Appropriations

1. Race to the Top Education Reforms - Federal

Includes \$17.0 million and 14.0 FTEs supported by potential Federal Race to the Top funding to implement changes in the education reform package including developing assessments to measure students' knowledge growth in each grade, correlation of student achievement to individual teachers, creation of an alternative teacher certification process, and oversight of the school administrator certification program. (The Executive also requested a FY 2009-10 supplemental of \$25.0 million in assumed Federal Race to the Top funds.)

	FY 2009-10 YTD	Exec Change From YTD
FTEs	0.0	14.0
Gross	\$0	\$17,000,000
Federal	0	17,000,000
GF/GP	\$0	\$0

2. Race to the Top Education Reforms - State

Includes \$1.7 million GF/GP and 13.0 FTEs to implement additional activities required in the State's education reform package that are not eligible for support from Federal Race to the Top funding. The new MDE responsibilities include the school reform/redesign officer, oversight of the new schools of excellence, and processing claims submitted to the basic instructional materials hotline. (HB 5394 approved a FY 2009-10 supplemental of \$492,800 GF/GP,)

FTEs	0.0	13.0
Gross	\$0	\$1,715,900
GF/GP	\$0	\$1,715,900

3. Library of Michigan

Decreases the budget for the Library of Michigan operations by \$1.1 million and reduces FTEs by 13.0 positions to find savings pursuant to EO 2009-36 and EO 2009-43. The proposed reductions include eliminating maintenance and oversight of the non-Michigan Genealogy Collection, the Federal Documents Collection, and the Regional Depository Program; eliminating circulation of the remaining Library of Michigan collection materials; ending participation in the interlibrary loan program; and recognizing savings from reductions in collection purchases. Also revises FTEs further by 16.0 positions to recognize the actual number of positions transferred under the EO.

FTEs	59.0	(29.0)
Gross	\$4,601,400	(\$1,070,300)
GF/GP	\$4,601,400	(\$1,070,300)

Major Budget Changes From FY 2009-10 YTD Appropriations		FY 2009-10 YTD	Exec Change From YTD
4. State Aid to Libraries	Gross	\$6,000,000	(\$150,000)
Decreases funding for state aid to local libraries by 2.5% to \$5,850,000.	GF/GP	\$6,000,000	(\$150,000)
5. Book Distribution Centers	Gross	\$200,000	(\$200,000)
Eliminates \$200,000 in funding for book distribution centers.	GF/GP	\$200,000	(\$200,000)
6. Economic Adjustments	Gross	N/A	\$2,532,400
Provides an increase of \$2.5 million Gross and \$431,500 GF/GP for economic changes in salaries and wages, retirement, insurance, workers compensation, and building occupancy charges.	Federal	N/A	1,707,600
	Local	N/A	211,300
	Private	N/A	28,000
	Restricted	N/A	154,000
	GF/GP	N/A	\$431,500

Major Boilerplate Changes From FY 2009-10

Sec. 207. Office of Safe Schools – DELETED

Earmarks \$225,000 out of the federal drug-free grant for the safe school program and establishes program guidelines.

Sec. 210. Information Technology Work Projects – DELETED

Allows for funds appropriated in part 1 for information technology to be designated as work projects and carried forward into future fiscal years to support technology projects subject to the management and budget act.

Sec. 211. Adequate Yearly Progress (AYP) Appeals – DELETED

Requires that the department allow districts to appeal a determination of failure of AYP, consider and act upon each appeal within 30 days, and wait to publish a list of districts that failed AYP until all such appeals have been decided.

Sec. 213. Hiring Freeze – DELETED

Establishes a hiring freeze for state civil service positions, allows for certain exceptions, and requires quarterly reports of the number of exceptions granted and their justification.

Sec. 215. Travel for Professional Development or Training – DELETED

Allows for only 1 departmental employee to attend a professional development conference or training seminar outside Michigan unless it is funded with federal and private funds and requires that more than 1 person attend or unless it includes multiple issues in which 1 employee does not have expertise.

Sec. 216. Communication with the Legislature – DELETED

Prohibits disciplinary action against an employee for communicating truthfully and factually with a member of the legislature or his or her staff.

Sec. 220. Information Requested by the Legislature – DELETED

Requires that MDE provide data requested by a member of the legislature, his or her staff, or the fiscal agencies in a timely manner.

Sec. 222. Policy Changes, Preparation of Regulatory Plans and Rule Promulgation – DELETED

Requires a report of policy changes made to implement enacted legislation; prohibits MDE from spending funds to prepare regulatory plans or promulgate rules that fail to reduce the disproportionate economic impact on small businesses.

Sec. 223. FTE Quarterly Reports – DELETED

Requires the department to report quarterly the number of FTEs in pay status by civil service classification.

Sec. 225. Pupil Membership Fraud – DELETED

Provides intent that the State Superintendent of Public Instruction investigate and report on issues of pupil membership fraud, including the incidence of students being counted in membership but not remaining in the district.

Sec. 226. Lapse Report – DELETED

Requires a report of the projected year-end General Fund Lapse amount for FY 2009-10 by Oct. 15, 2010.

Sec. 802. Book Distribution Centers – DELETED

Requires that the funds appropriated for book distribution centers be distributed equally to the public enrichment foundation and the Michigan friends of education.

Sec. 803. Keep Library Functions Together – DELETED

Provides intent that the Library of Michigan and its related programs be kept together in a state department.

Sec. 903. Cyberschools – DELETED

Requires MDE report on barriers to cyberschools for special student populations including dropouts and expelled students.