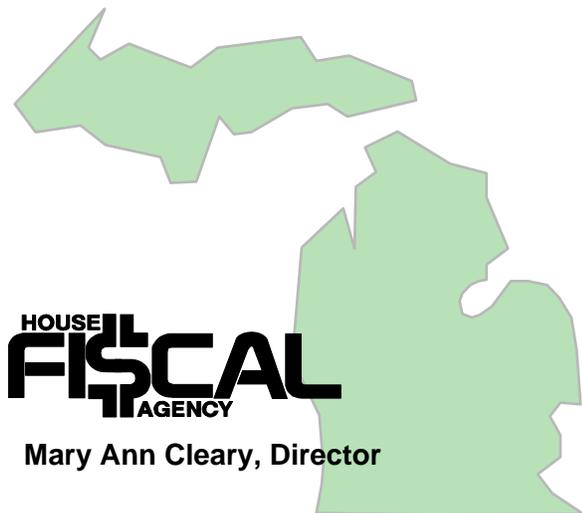


LINE ITEM AND BOILERPLATE SUMMARY

HIGHER EDUCATION

Fiscal Year 2011-12
Article III, Public Act 62 of 2011
House Bill 4325 as Enacted



Kyle I. Jen, Deputy Director

September 2011

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September 2011

TO: Members of the Michigan House of Representatives

The House Fiscal Agency has prepared a **Line Item Summary** for each of the FY 2011-12 appropriation acts. Each **Summary** contains line-by-line appropriation and revenue source detail, and a brief explanation of each boilerplate section in the appropriation bill.

In this report, line item vetoes are presented in the following manner: appropriation amounts shown in ~~strikeout~~ are those that appear in the enrolled bill; amounts shown directly below ~~strikeout~~ amounts reflect the effect of the veto.

Line Item Summaries are available on the HFA website (www.house.mi.gov/hfa), or from Kathryn Bateson, Administrative Assistant (373-8080 or kbateson@house.mi.gov).



Mary Ann Cleary, Director

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GLOSSARY

STATE BUDGET TERMS

Gross Appropriations (Gross): The total of all applicable appropriations (statutory spending authorizations) in a budget bill.

Adjusted Gross Appropriations (Adjusted Gross): The net amount of all gross appropriations after subtracting interdepartmental grants (IDGs) and intradepartmental transfers (IDTs).

Lapses: Appropriation amounts that are unspent/unobligated at the end of a fiscal year. Appropriations are automatically terminated at the end of a fiscal year unless otherwise provided by law.

Work Project: A statutorily-authorized account which allows a spending authorization to be carried over from one fiscal year to a succeeding fiscal year or years—i.e., allows funds to be spent over a period of years.

APPROPRIATION BILL TERMS

Line Item: Specific funding amount in an appropriation bill which establishes spending authorization for a particular program or function (may be for a single purpose or for multiple purposes).

Boilerplate: Specific language sections in an appropriation bill which direct, limit or restrict line item expenditures, express legislative intent, and/or require reports.

REVENUE SOURCES

General Fund/General Purpose (GF/GP): Unrestricted General Fund revenue available to fund any activity accounted for in the General Fund; unused GF/GP revenue lapses to the General Fund at the end of a fiscal year.

State Restricted (Restricted): State revenue restricted by state law or outside restriction that is available only for specified purposes; at year-end, unused restricted revenue remains in the restricted fund.

Federal Revenue: Federal grant or matchable revenue dedicated to specific programs.

Local Revenue: Revenue from local units of government.

Private Revenue: Revenue from non-government entities: rents, royalties or interest payments, payments from hospitals or individuals, and gifts and bequests.

Interdepartmental Grant (IDG): Revenue or funds received by one state department from another state department (usually for a service provided by the receiving department).

Intradepartmental Transfer (IDT): Transfers or funds being provided from one appropriation unit to another in the same department.

MAJOR STATE FUNDS

Budget Stabilization Fund (BSF): The countercyclical economic and budget stabilization fund; also known as the "rainy day" fund.

School Aid Fund (SAF): A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs).

General Fund: The General Fund (funded from taxes and other general revenue) is used to account for the ordinary operations of a governmental unit that are not accounted for in another fund.

HIGHER EDUCATION

The Higher Education budget article contains appropriations to support the operations of the state's 15 public universities, fulfilling the requirement of Section 4, Article VIII of the State Constitution. Additionally, the article contains funding for financial aid to students attending both public and independent postsecondary institutions in the state, as well as several other higher education-related programs.

Beginning in FY 2011-12, the Higher Education budget is incorporated into the compiled School Aid Act (as Article III of that act), rather than being enacted into law as a standard one-year budget act.

GROSS APPROPRIATION	\$1,362,278,400	Total of all applicable line item appropriations.
Total interdepartmental grants/ intradepartmental transfers	0	Total of all funds received from other departments and transfer of funds.
ADJUSTED GROSS APPROPRIATION	\$1,362,278,400	Total net amount of all line item gross appropriations less (or minus) interdepartmental grants (IDGs) and intradepartmental transfers (IDTs).
Total federal revenue	98,326,400	Total federal grant or matchable revenue.
Total private revenue	0	Total private grant revenue.
Total local revenue	0	Total revenue from local units of government.
Total state restricted revenue	200,219,500	State revenue dedicated to a specific fund (other than the General Fund); or revenue earmarked for a specific purpose.
GENERAL FUND/ GENERAL PURPOSE	\$1,063,732,500	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

NOTE: *The totals shown above correspond to the amounts shown in the summary unit of the budget article, which account only for standard line item appropriations. Additionally, a total of \$1,900,000 in GF/GP funds is appropriated and designated for one-time purposes under section 294 of the budget article.*

SECTION 236(2): PUBLIC UNIVERSITIES

The Higher Education budget article contains a separate appropriation for each of the state's 15 public universities established under Sections 5 and 6, Article VIII of the State Constitution. Each unit includes a grant to the university for operations. State appropriations and student tuition and fees are the primary revenue sources for instruction-related activities conducted by the universities. For FY 2011-12, a separate appropriation is made to each university contingent on compliance with tuition restraint provisions contained in section 265 of the budget article.

Michigan State's appropriation unit also includes an appropriation to support the activities of the Agricultural Experiment Station and Cooperative Extension Service operated by the university.

For all public university operations and/or tuition restraint incentive line items:

Related Boilerplate Section(s): 239, 239a, 240, 241, 244, 245, 265, 266, 274a, 296

(A) CENTRAL MICHIGAN UNIVERSITY

Operations	\$61,431,100	Grant to Central Michigan University (CMU) for operations. CMU was founded in 1892 as the Central Michigan Normal School; the legal authority for the university's status as a state institution of higher education now exists in 1963 PA 48 (2nd Extra Session). Line item includes \$29,700 pass-through to Saginaw Chippewa Tribal College for Indian Tuition Waiver costs under section 269.
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Funding Source(s):	Restricted	11,284,600
	GF/GP	50,146,500

Additional Related Boilerplate Section(s): 269

Tuition restraint incentive	6,677,800	Additional funds appropriated to CMU contingent on compliance with tuition restraint provisions.
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Funding Source(s):	GF/GP	6,677,800
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GROSS APPROPRIATION \$68,108,900 Total of all applicable line item appropriations.

State school aid fund	11,284,600	A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); for FY 2011-12, School Aid Fund revenue is also utilized for public universities and community colleges.
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**GENERAL FUND/
GENERAL PURPOSE \$56,824,300 The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.**

(B) EASTERN MICHIGAN UNIVERSITY

Operations	\$61,319,900	Grant to Eastern Michigan University (EMU) for operations. EMU was founded in 1849 as the Michigan State Normal School; the legal authority for the university's status as a state institution of higher education now exists in 1963 PA 48 (2nd Extra Session).
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Note: In addition to the funding appropriated here, \$500,000 GF/GP is appropriated to EMU on a one-time basis for the Autism Collaborative Center in section 294 of the budget article.

Funding Source(s):	Restricted	10,706,400
	GF/GP	50,613,500

Tuition restraint incentive	3,299,200	Additional funds appropriated to EMU contingent on compliance with tuition restraint provisions. Funding Source(s): GF/GP 3,299,200
GROSS APPROPRIATION	\$64,619,100	Total of all applicable line item appropriations.
State school aid fund	10,706,400	A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); for FY 2011-12, School Aid Fund revenue is also utilized for public universities and community colleges.
GENERAL FUND/ GENERAL PURPOSE	\$53,192,700	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

(C) FERRIS STATE UNIVERSITY

Operations	\$37,971,600	Grant to Ferris State University (FSU) for operations. FSU was founded in 1884 as the Big Rapids Industrial School (a private institution) and became a state institution of higher education via 1949 PA 114. Funding Source(s): Restricted 6,846,800 GF/GP 31,124,800
Tuition restraint incentive	3,352,700	Additional funds appropriated to FSU contingent on compliance with tuition restraint provisions. Funding Source(s): GF/GP 3,352,700
GROSS APPROPRIATION	\$41,324,300	Total of all applicable line item appropriations.
State school aid fund	6,846,800	A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); for FY 2011-12, School Aid Fund revenue is also utilized for public universities and community colleges.
GENERAL FUND/ GENERAL PURPOSE	\$34,477,500	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

(D) GRAND VALLEY STATE UNIVERSITY

Operations	\$48,431,500	Grant to Grand Valley State University (GVSU) for operations. GVSU (Grand Valley State College at the time) was founded as a state institution of higher education via 1960 PA 112. Funding Source(s): Restricted 8,727,800 GF/GP 39,703,700
Tuition restraint incentive	4,245,900	Additional funds appropriated to GVSU contingent on compliance with tuition restraint provisions. Funding Source(s): GF/GP 4,245,900
GROSS APPROPRIATION	\$52,677,400	Total of all applicable line item appropriations.
State school aid fund	8,727,800	A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); for FY 2011-12, School Aid Fund revenue is also utilized for public universities and community colleges.
GENERAL FUND/ GENERAL PURPOSE	\$43,949,600	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

(E) LAKE SUPERIOR STATE UNIVERSITY

Operations	\$10,055,100	Grant to Lake Superior State University (LSSU) for operations. LSSU was founded as a branch of the Michigan College of Mining and Technology (now Michigan Tech University) in 1946 and became an autonomous state institution of higher education via 1969 PA 26. Line item includes \$100,000 pass-through to Bay Mills Community College for Indian Tuition Waiver costs under section 461.
		Funding Source(s): Restricted 1,787,600 GF/GP 8,267,500

Additional Related Boilerplate Section(s): 270

Tuition restraint incentive	734,400	Additional funds appropriated to LSSU contingent on compliance with tuition restraint provisions.
		Funding Source(s): GF/GP 734,400

GROSS APPROPRIATION \$10,789,500 Total of all applicable line item appropriations.

State school aid fund	1,787,600	A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); for FY 2011-12, School Aid Fund revenue is also utilized for public universities and community colleges.
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**GENERAL FUND/
GENERAL PURPOSE \$9,001,900 The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.**

(F) MICHIGAN STATE UNIVERSITY

Operations	\$222,796,200	Grant to Michigan State University (MSU) for operations. MSU was founded in 1855 as the Agricultural College of the State of Michigan; the legal authority for the university's status as a state institution of higher education now exists in 1909 PA 269. Section 264 allocates \$80,000 from this line item for the Future Farmers of America Association.
		<i>Note:</i> In addition to the funding appropriated here, \$1.2 million GF/GP is appropriated to MSU on a one-time basis for the Facility for Rare Isotope Beams in section 294 of the budget article.
		Funding Source(s): Restricted 39,949,900 GF/GP 182,846,300

Additional Related Boilerplate Section(s): 264

Tuition restraint incentive	18,324,600	Additional funds appropriated to MSU contingent on compliance with tuition restraint provisions.
		Funding Source(s): GF/GP 18,324,600

Agricultural experiment and cooperative extension activities	52,625,800	The <u>Agricultural Experiment Station</u> (MSU AgBioResearch) is a statewide agricultural research program operated by MSU as part of its land-grant mission; there are 14 research facilities across the state plus on-campus facilities in East Lansing. In addition to funds appropriated by the state, funds are received from federal and industry sources.
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The Cooperative Extension Service (MSU Extension) extends MSU's public service mission to all counties in the state as part of MSU's land-grant mission. Program areas include agriculture and natural resources; children, youth, and family (including 4-H); and community and economic development. In addition to funds appropriated by the state, county governments jointly support local extension programs.

Line item includes \$5.6 million designated in section 263 for Project GREEN, a research effort on behalf of Michigan's agricultural industry.
 Funding Source(s): GF/GP 52,625,800

Related Boilerplate Section(s): 263, 263a

GROSS APPROPRIATION	\$293,746,600	Total of all applicable line item appropriations.
State school aid fund	39,949,900	A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); for FY 2011-12, School Aid Fund revenue is also utilized for public universities and community colleges.
GENERAL FUND/ GENERAL PURPOSE	\$253,796,700	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

(G) MICHIGAN TECHNOLOGICAL UNIVERSITY

Operations	\$37,409,700	Grant to Michigan Tech University (MTU) for operations. MTU (the Michigan Mining School at the time) was founded as a state institution of higher education via 1885 PA 70. Funding Source(s): Restricted 6,748,900 GF/GP 30,660,800
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Tuition restraint incentive	3,323,900	Additional funds appropriated to MTU contingent on compliance with tuition restraint provisions. Funding Source(s): GF/GP 3,323,900
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GROSS APPROPRIATION	\$40,733,600	Total of all applicable line item appropriations.
State school aid fund	6,748,900	A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); for FY 2011-12, School Aid Fund revenue is also utilized for public universities and community colleges.
GENERAL FUND/ GENERAL PURPOSE	\$33,984,700	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

(H) NORTHERN MICHIGAN UNIVERSITY

Operations	\$36,225,200	Grant to Northern Michigan University (NMU) for operations. NMU was founded in 1899 as the Northern State Normal School; the legal authority for the university's status as a state institution of higher education now exists in 1963 PA 48 (2nd Extra Session). Funding Source(s): Restricted 6,356,900 GF/GP 29,868,300
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Tuition restraint incentive	2,142,200	Additional funds appropriated to NMU contingent on compliance with tuition restraint provisions. Funding Source(s): GF/GP 2,142,200
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GROSS APPROPRIATION	\$38,367,400	Total of all applicable line item appropriations.
State school aid fund	6,356,900	A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); for FY 2011-12, School Aid Fund revenue is also utilized for public universities and community colleges.
GENERAL FUND/ GENERAL PURPOSE	\$32,010,500	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

(I) OAKLAND UNIVERSITY

Operations	\$39,313,500	Grant to Oakland University (OU) for operations. OU was founded as a branch of Michigan State University in 1957 and became an autonomous state institution of higher education via 1970 PA 35. Funding Source(s): Restricted 7,148,400 GF/GP 32,165,100
Tuition restraint incentive	3,831,500	Additional funds appropriated to OU contingent on compliance with tuition restraint provisions. Funding Source(s): GF/GP 3,831,500
GROSS APPROPRIATION	\$43,145,000	Total of all applicable line item appropriations.

State school aid fund	7,148,400	A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); for FY 2011-12, School Aid Fund revenue is also utilized for public universities and community colleges.
GENERAL FUND/ GENERAL PURPOSE	\$35,996,600	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

(J) SAGINAW VALLEY STATE UNIVERSITY

Operations	\$21,969,300	Grant to Saginaw Valley State University (SVSU) for operations. SVSU was founded as Saginaw Valley College (a private institution) in 1963 and became a state institution of higher education via 1965 PA 278. Funding Source(s): Restricted 3,903,800 GF/GP 18,065,500
Tuition restraint incentive	1,592,200	Additional funds appropriated to SVSU contingent on compliance with tuition restraint provisions. Funding Source(s): GF/GP 1,592,200
GROSS APPROPRIATION	\$23,561,500	Total of all applicable line item appropriations.

State school aid fund	3,903,800	A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); for FY 2011-12, School Aid Fund revenue is also utilized for public universities and community colleges.
GENERAL FUND/ GENERAL PURPOSE	\$19,657,700	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

(K) UNIVERSITY OF MICHIGAN-ANN ARBOR

Operations	\$254,931,800	Grant to University of Michigan-Ann Arbor (UM-Ann Arbor) for operations. The University of Michigan was founded in 1817 (prior to Michigan's statehood); the legal authority for the university's status as a state institution of higher education now exists in 1851 PA 151. Funding Source(s): Restricted 44,536,300 GF/GP 210,395,500
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Tuition restraint incentive	13,871,500	Additional funds appropriated to UM-Ann Arbor contingent on compliance with tuition restraint provisions. Funding Source(s): GF/GP 13,871,500
GROSS APPROPRIATION	\$268,803,300	Total of all applicable line item appropriations.
State school aid fund	44,536,300	A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); for FY 2011-12, School Aid Fund revenue is also utilized for public universities and community colleges.
GENERAL FUND/ GENERAL PURPOSE	\$224,267,000	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

(L) UNIVERSITY OF MICHIGAN–DEARBORN

Operations	\$19,627,400	Grant to University of Michigan–Dearborn (UM-Dearborn) for operations. The Dearborn branch of the University of Michigan was established in 1959. While the operations of the branch are governed by the same elected board as the main Ann Arbor branch, a distinct appropriation is made by the Legislature annually to specifically support those operations. Funding Source(s): Restricted 3,482,100 GF/GP 16,145,300
Tuition restraint incentive	1,388,900	Additional funds appropriated to UM-Dearborn contingent on compliance with tuition restraint provisions. Funding Source(s): GF/GP 1,388,900
GROSS APPROPRIATION	\$21,016,300	Total of all applicable line item appropriations.
State school aid fund	3,482,100	A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); for FY 2011-12, School Aid Fund revenue is also utilized for public universities and community colleges.
GENERAL FUND/ GENERAL PURPOSE	\$17,534,200	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

(M) UNIVERSITY OF MICHIGAN–FLINT

Operations	\$16,679,400	Grant to University of Michigan–Flint (UM-Flint) for operations. The Flint branch of the University of Michigan was established in 1956. While the operations of the branch are governed by the same elected board as the main Ann Arbor branch, a distinct appropriation is made by the Legislature annually to specifically support those operations. Funding Source(s): Restricted 2,942,900 GF/GP 13,736,500
Tuition restraint incentive	1,083,000	Additional funds appropriated to UM-Flint contingent on compliance with tuition restraint provisions. Funding Source(s): GF/GP 1,083,000
GROSS APPROPRIATION	\$17,762,400	Total of all applicable line item appropriations.
State school aid fund	2,942,900	A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); for FY 2011-12, School Aid Fund revenue is also utilized for public universities and community colleges.
GENERAL FUND/ GENERAL PURPOSE	\$14,819,500	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

(N) WAYNE STATE UNIVERSITY

Operations	\$169,209,400	Grant to Wayne State University (WSU) for operations. The first component of WSU was founded in 1868 as the Detroit Medical College; multiple college components were combined into a university organization by the Detroit Board of Education in 1933, and the university became a state institution of higher education via 1956 PA 183. Funding Source(s): Restricted 30,160,600 GF/GP 139,048,800
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Tuition restraint incentive	12,827,500	Additional funds appropriated to WSU contingent on compliance with tuition restraint provisions. Funding Source(s): GF/GP 12,827,500
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GROSS APPROPRIATION \$182,036,900 Total of all applicable line item appropriations.

State school aid fund	30,160,600	A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); for FY 2011-12, School Aid Fund revenue is also utilized for public universities and community colleges.
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GENERAL FUND/ GENERAL PURPOSE	\$151,876,300	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.
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(O) WESTERN MICHIGAN UNIVERSITY

Operations	\$86,866,700	Grant to Western Michigan University (WMU) for operations. WMU was founded in 1903 as the Western State Normal School; the legal authority for the university's status as a state institution of higher education now exists in 1963 PA 48 (2nd Extra Session). <i>Note:</i> In addition to the funding appropriated here, \$200,000 GF/GP is appropriated to WMU on a one-time basis for economic development and commercialization in section 294 of the budget article. Funding Source(s): Restricted 15,436,500 GF/GP 71,430,200
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Tuition restraint incentive	6,301,600	Additional funds appropriated to WMU contingent on compliance with tuition restraint provisions. Funding Source(s): GF/GP 6,301,600
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GROSS APPROPRIATION \$93,168,300 Total of all applicable line item appropriations.

State school aid fund	15,436,500	A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs); for FY 2011-12, School Aid Fund revenue is also utilized for public universities and community colleges.
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GENERAL FUND/ GENERAL PURPOSE	\$77,731,800	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.
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SECTION 236(3): STATE AND REGIONAL PROGRAMS

This subsection provides funding for the HEIDI database, which contains data submitted by all 15 public universities, and dues for the Midwestern Higher Education Compact, the benefits of which are open to colleges, universities, and other governmental units across the state.

Higher education database modernization and conversion	\$105,000	Operational costs of maintaining Higher Education Institutional Data Inventory (HEIDI), a database to which the 15 public universities annually submit enrollment, finance, and other institutional data for use by state policy makers and university officials. Database established under section 1299 of Management and Budget Act; administered by Department of Technology, Management and Budget, with input for advisory committee composed of executive, legislative, and university staff representatives.
		Funding Source(s): GF/GP 105,000
		<i>Related Boilerplate Section(s): None</i>
Midwestern higher education compact	95,000	State's membership dues for interstate compact to identify and institute opportunities for member states (Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin) to realize economies of scale and increase postsecondary opportunities; Michigan entered compact through enactment of 1990 PA 195.
		Funding Source(s): GF/GP 95,000
		<i>Related Boilerplate Section(s): 270a</i>
GROSS APPROPRIATION	\$200,000	Total of all applicable line item appropriations.
GENERAL FUND/ GENERAL PURPOSE	\$200,000	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

**SECTION 236(4): MARTIN LUTHER KING, JR. -
CESAR CHAVEZ - ROSA PARKS PROGRAM**

This subsection provides funding for programs administered by the Workforce Development Agency that are intended to increase the participation of academically or economically disadvantaged students in postsecondary education in Michigan. Additional funding for the King-Chavez-Parks (KCP) initiative is included in each university's operations appropriation, designated in boilerplate language for the Future Faculty, College Day, and Visiting Professors programs. The KCP programs are established only in budget article language; there is no independent authorizing statute.

Select student supportive services	\$1,956,100	Grants to develop academically/disadvantaged student retention programs at state's public and independent four-year colleges and universities; grants funded on 70/30 state/institutional basis. Funding Source(s): GF/GP 1,956,100 <i>Related Boilerplate Section(s): 278, 282</i>
Michigan college/university partnership program	586,800	Grants to increase the number of academically or economically disadvantaged students transferring from community colleges to four-year public and independent colleges and universities; grants funded on 70/30 state/institutional basis. Funding Source(s): GF/GP 586,800 <i>Related Boilerplate Section(s): 279, 282</i>
Morris Hood, Jr. educator development program	148,600	Grants to increase the number of academically or economically disadvantaged students who enroll in and complete K-12 teacher education programs at the baccalaureate level. Funding Source(s): GF/GP 148,600 <i>Related Boilerplate Section(s): 281, 282</i>
GROSS APPROPRIATION	\$2,691,500	Total of all applicable line item appropriations.
GENERAL FUND/ GENERAL PURPOSE	\$2,691,500	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

SECTIONS 236(5) AND 236(6): GRANTS AND FINANCIAL AID

These subsections contain funding for financial aid programs, primarily need-based in nature, for Michigan residents attending colleges and universities in the state. Most programs make awards to students at both public and independent (private) institutions. The largest program, the Tuition Grant Program, is limited to students at independent institutions.

Major financial aid programs are funded by federal Temporary Assistance to Needy Families (TANF) revenue, rather than state-level funds, in order to improve the state's TANF maintenance-of-effort (MOE) position. The programs are administered by the Department of Treasury.

State competitive scholarships	\$19,861,700	<p>Scholarships to undergraduate students with both a qualifying score on the ACT and demonstrated financial need (1964 PA 208); available to students at both public and independent colleges/universities. The FY 2011-12 maximum award for the program, set by the Department of Treasury based on the amount of funds available and the number of eligible students, is \$575. A portion of the line item (\$1.5 million) is appropriated from federal Leveraging Educational Assistance Partnership (LEAP) funding; that funding has, subsequent to the enactment of the state budget, been eliminated.</p> <p style="text-align: right;">Funding Source(s): Federal 19,861,700</p> <p><i>Related Boilerplate Section(s): 251, 254, 255, 258</i></p>
Tuition grants	31,664,700	<p>Need-based grants to undergraduate students attending independent colleges/universities (1964 PA 313). Under statutory provisions, students at independent institutions receiving Competitive Scholarships are awarded a supplemental amount from the Tuition Grants line item. Under budget article provisions, total award funding is capped at \$3.0 million per institution, which reduces awards to students enrolled at Baker College and Davenport University. The FY 2011-12 maximum award for students at other institutions, set by the Department of Treasury based on the amount of funds available and the number of eligible students, is \$1,512.</p> <p style="text-align: right;">Funding Source(s): Federal 31,664,700</p> <p><i>Related Boilerplate Section(s): 252, 254, 255, 258</i></p>
Tuition incentive program	43,800,000	<p>Two-phase incentive for students from low-income families to graduate from high school; program established only in budget article language. Eligible students must be Medicaid eligible for 24 months in a 36-month period between sixth grade and high school graduation. For students who complete high school, Phase I of program pays tuition for up to two years of study toward associate's degree studies at a community college, a four-year university that offers associate's programs, or certain other institutions (subject to a financial limit); Phase II of program then pays up to \$2,000 (\$500/semester) toward completion of a bachelor's degree.</p> <p style="text-align: right;">Funding Source(s): Federal 43,800,000</p> <p><i>Related Boilerplate Section(s): 254, 256, 258</i></p>
Robert C. Byrd honors scholarship program	1,500,000	<p>Federal program to reward academic excellence (established in 1987); each high school principal may nominate an outstanding graduating senior; students receive up to \$1,500 per year for up to four years.</p> <p style="text-align: right;">Funding Source(s): Federal 1,500,000</p> <p><i>Related Boilerplate Section(s): 254, 258</i></p>

BOILERPLATE SECTION INFORMATION

GENERAL SECTIONS

Sec. 236a. FY 2012-13 Appropriations

States intent to provide same appropriation amounts for FY 2012-13, adjusted for caseload and related costs, federal fund match rates, economic *factors*, and available revenue.

Sec. 237. Management and Budget Act

Subjects funds appropriated to Management and Budget Act.

Sec. 237a. Research University Definition

Defines the term "Research University" to include three categories under Carnegie Classifications: "Doctoral/Research University" (Central, Oakland), "Research University: High Research Activity" (Michigan Tech, Western), and "Research University: Very High Research Activity" (Michigan State, UM-Ann Arbor, Wayne State).

Sec. 238. Reporting by Internet

Requires institutions of higher education to use Internet to submit reports.

Sec. 239. American Goods and Services

States preference for American goods and services, as well as those produced in Michigan and those produced by businesses owned by veterans.

Sec. 239a. Foreign Auto Manufacturers

States intent that funds appropriated to universities not be used to purchase vehicles assembled outside U.S.

Sec. 240. Deprived and Depressed Communities

Directs universities to ensure that businesses in deprived and depressed communities compete for and perform contracts.

Sec. 241. Payment of Appropriations

Provides for 11 monthly payments to universities; directs Department of Treasury to withhold appropriations if universities fail to submit HEIDI data by specified deadlines.

Sec. 242. Federal or Private Funds

Appropriates federal or private funds received by the state for use by a college or university.

Sec. 243. Provision of Information

Requires universities to furnish information to state budget director and appropriations committees.

Sec. 244. Postsecondary Student Data System

Requires universities to cooperate with measures taken by state to comply with American Recovery and Reinvestment Act (ARRA) provisions requiring establishment of a statewide P-20 education longitudinal data system.

Sec. 245. Posting of Expenditures

Requires report from each university categorizing institutional general fund expenditures among major categories for all academic units, administrative units, and external initiatives, as well as a list of all employee salary amounts for positions funded by institutional general fund.

GRANTS AND FINANCIAL AID

Sec. 251. State Competitive Scholarship Program

Provides for distribution of funds appropriated for State Competitive Scholarships; specifies maximum grant amount of at least \$600, unless insufficient funds are available, in which case a report is required.

Sec. 252. Tuition Grant Program

Provides for distribution of funds appropriated for Tuition Grants; specifies maximum grant amount of at least \$1,512, unless insufficient funds are available, in which case a report is required; limits award eligibility to undergraduate students; provides that unexpended funds at close of FY 2010-11 remain available for expenditure in FY 2011-12; caps awards received by students at a single institution at \$3.0 million.

Sec. 253. Audit of Independent Institutions

Allows auditor general to audit selected enrollments, degrees, and awards at independent colleges and universities receiving financial aid awards.

BOILERPLATE SECTION INFORMATION

Sec. 254. Financial Aid Payment Schedules

Specifies 50%/50%/0%/0% quarterly payment schedule for financial aid programs.

Sec. 255. Needs Analysis Criteria

Requires Michigan Higher Education Assistance Authority (MHEAA) to determine the needs analysis criteria for students to qualify for State Competitive Scholarships and Tuition Grants.

Sec. 256. Tuition Incentive Program

Specifies criteria for Tuition Incentive Program eligibility; provides for award conditions and limits under Phases I and II of the program.

Sec. 257. Independent Institution Data

Requires independent colleges and universities to make data regarding grants available to Legislature and state budget director.

Sec. 258. Financial Aid Annual Report

Requires annual report from Department of Treasury on all state financial aid programs.

UNIVERSITY OPERATIONS

Sec. 261. Douglas Lake Biological Station

Designates University of Michigan Douglas Lake Biological Station as a unique resource.

Sec. 262. Private Bookstores

States intent that each university develop policies for minimizing the costs of textbooks and course materials and submit a report on those policies.

Sec. 263. Project GREEN

Allocates \$5.6 million from Agricultural Experiment and Cooperative Extension Activities appropriation for Project GREEN (Generating Research and Extension to meet Environmental and Economic Needs); requires annual report.

Sec. 263a. Research and Outreach Priorities

Directs Michigan State University to develop, in consultation with Agricultural Experiment and Cooperative Extension Service stakeholders, a set of research and outreach priorities and, as part of that effort, to convene a summit on production agriculture; requires report on fund sources and review of major programs.

Sec. 264. Future Farmers of America

Allocates \$80,000 from Michigan State University's appropriation for the Future Farmers of America Association.

Sec. 265. Tuition Restraint

Provides for tuition restraint incentive funds appropriated to universities to be paid only if a university certifies that it did not adopt an increase in FY 2010-11 resident undergraduate tuition/fees after February 1, 2011, and that it will not adopt an increase in FY 2011-12 resident undergraduate tuition/fees that is greater than the prior-five-year statewide average tuition/fee increase (7.1%). Specified additional reporting requirements regarding related university financial indicators.

Sec. 266. University Funding Formula

States that, in subsequent budget years, university operations funding shall be allocated to each university using an incentive-based formula developed and enacted by the Legislature.

Sec. 267. Tuition Rate Reports

Requires tuition and fee data to be submitted to HEIDI database; requires report on revision to tuition and fees within 15 days of adoption.

Sec. 268. Unfunded Indian Tuition Waiver Costs

States legislative intent to allocate funds for unfunded Indian Tuition Waiver costs at universities from the General Fund.

Sec. 269. Saginaw Tribal Indian Tuition Waiver Funding

Requires \$29,700 payment from Central Michigan's appropriation to Saginaw Chippewa Tribal College for costs of Indian Tuition Waiver Program.

Sec. 270. Bay Mills Indian Tuition Waiver Funding

Requires \$100,000 payment from Lake Superior State's appropriation to Bay Mills Community College for costs of Indian Tuition Waiver Program.

BOILERPLATE SECTION INFORMATION

Sec. 270a. Consolidation of Purchases

Requires universities to coordinate purchases of goods and services, including use of state MiDEAL purchasing program and Midwestern Higher Education Compact; requires report from Presidents Council on purchasing and associated savings.

Sec. 271. Academic Program Accreditation

Requires universities to report on direct expenditures made for academic program accreditation.

Sec. 272. Transfer Credit Reporting

Requires universities to report on the number of transfer credits, with grade of C or better, rejected for incoming students, by both academic area and prior institution.

Sec. 273. Student Religious Beliefs

States intent that universities report on efforts to accommodate the religious beliefs of students in accredited counseling programs.

Sec. 274. Embryonic Stem Cell Research

States intent that universities conducting research using human embryonic stem cells report to the Department of Community Health regarding embryos and stem cell lines received or utilized by the university.

Sec. 274a. Adult Coresident Health Benefits

States intent that universities not provide benefits to unmarried adult coresidents or their dependents and report on the costs of providing any such benefits.

Sec. 275. Veterans Policies

States intent for universities to participate in the Yellow Ribbon GI Education Enhancement Program and provide other veterans-related services; requires report on program participation.

Sec. 275a. Capital Outlay Reporting

Prohibits use of state funds for self-liquidating projects; requires compliance with Joint Capital Outlay Subcommittee reporting requirements, with specified penalty of 1.0% appropriation reduction.

MARTIN LUTHER KING, JR. - CESAR CHAVEZ - ROSA PARKS PROGRAMS

Sec. 276. Martin Luther King, Jr. – Cesar Chavez – Rosa Parks (KCP) Future Faculty Program

Provides for program, funded by allocations from public university appropriations, intended to increase number of academically or economically disadvantaged candidates pursuing faculty teaching careers.

Sec. 277. KCP College Day Program

Provides for program, funded by allocations from public university appropriations, intended to introduce academically or economically disadvantaged schoolchildren to the potential of a college education.

Sec. 278. KCP Select Student Support Services Program

Provides for program, funded by distinct appropriation for grants to public/independent institutions, intended to develop academically/economically disadvantaged student retention programs.

Sec. 279. KCP College/University Partnership Program

Provides for program, funded by distinct appropriation for grants to public/independent institutions, intended to increase the number of academically or economically disadvantaged students who transfer from community colleges to baccalaureate institutions.

Sec. 280. KCP Visiting Professors Program

Provides for program, funded by allocations from public university appropriations, intended to increase the number of instructors to provide role models for academically or economically disadvantaged students.

Sec. 281. KCP Morris Hood, Jr. Educator Development Program

Provides for program, funded by distinct appropriation for grants to public/independent institutions, intended to increase the number of academically or economically disadvantaged students enrolling in and completing K-12 teacher education programs.

Sec. 282. Reallocation of KCP Funds

Provides for reallocation of KCP grant funds from institutions that do not fully expend their funds.

BOILERPLATE SECTION INFORMATION

STUDENT PERFORMANCE REPORTING

Sec. 283. Information to High Schools

Requires universities to inform high schools regarding the academic status of students from each high school.

Sec. 284. Information to Community Colleges

Requires universities to inform community colleges regarding the academic status of transfer students.

Sec. 285. Transfer from Community College

Requires universities to work with community colleges to encourage the transfer of students and credits.

Sec. 286. Reverse Transfer

States intent that universities work with community colleges to implement state reverse transfer agreements for students transferring from a community college to a university to be able to transfer credits back to the community college and be awarded a credential.

GENERAL REPORTS AND AUDITS

Sec. 289. Audit of HEIDI Data

Requires auditor general to review HEIDI data; excludes certain credit hours from those reported to HEIDI.

Sec. 290. Degree Programs

Lists new degree programs established by public universities for which credit hours may be reported to HEIDI.

Sec. 291. Performance Audits

Permits auditor general to conduct performance audits of public universities.

Sec. 292. Crime Statistics

Requires universities to make materials prepared in accordance with federal crime and campus security reporting requirements available through the Internet.

Sec. 293. Student Records

Requires universities to provide information from the records of a student to persons authorized by student.

Sec. 294. One-Time Appropriations

Appropriates \$1.9 million GF/GP on a one-time basis only in FY 2011-12:

- \$500,000 for the Autism Collaborative Center at Eastern Michigan University
- \$1.2 million for the Facility for Rare Isotope Beams at Michigan State University
- \$200,000 for economic development and commercialization at Western Michigan University

ARTICLE IV: GENERAL PROVISIONS

Sec. 296. School Aid Fund Proration

Provides for university appropriation amounts funded from School Aid Fund revenue to be reduced (along with K-12 and Community College appropriations) if total School Aid Fund appropriations are greater than the revenue available in the fund.

Enacting Section 1. State Spending to Locals

Reports spending from state resources and estimated payments to local units of government.



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AREAS OF RESPONSIBILITY

Table with 2 columns: Area of Responsibility and Assigned Personnel. Rows include Agriculture and Rural Development, Attorney General, Auditor General, Bill Analysis, Capital Outlay, Casino Gaming, Civil Rights, Clean Michigan Initiative, Community Colleges, Community Health (Mental Health/Substance Abuse, Public Health/Aging/Medicaid-Backup, Medicaid/Children's Special Health Care Services), Corrections, Economic and Revenue Forecast, Education (Department), Environmental Quality, Executive Office, Fiscal Oversight, Audit, and Litigation, Higher Education, Human Services (Department), Judiciary, Legislature, Licensing and Regulatory Affairs, Lottery, Michigan Strategic Fund, Military and Veterans Affairs, Natural Resources, Retirement, Revenue Sharing, School Aid, State (Department), State and Local Finance, State Police, Supplementals, Tax Analysis, Technology, Management, and Budget, Transfers, Transportation, and Treasury.



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