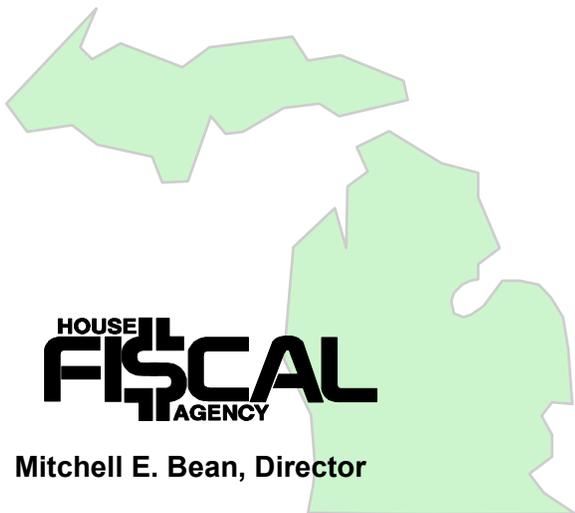


LINE ITEM AND BOILERPLATE SUMMARY

EDUCATION

**Fiscal Year 2003-04
Public Act 145 of 2003
House Bill 4391**

As Enacted



Mitchell E. Bean, Director

September 2003

Prepared and Compiled by:

**Mary Ann Cleary, Fiscal Analyst
Laurie Cummings, Fiscal Analyst
Barbara Graves, Budget Assistant**

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STATE OF MICHIGAN

HOUSE OF REPRESENTATIVES



HOUSE FISCAL AGENCY

MITCHELL E. BEAN, DIRECTOR

P.O. BOX 30014
LANSING, MICHIGAN 48909-7514
PHONE: (517)373-8080 FAX: (517)373-5874
www.house.mi.gov/hfa

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September 2003

TO: Members of the Michigan House of Representatives

The House Fiscal Agency has prepared a **Line Item Summary** for each of the FY 2003-04 appropriation acts. Each **Summary** contains line-by-line detail, including the amount and purpose of each appropriation line and information regarding related boilerplate sections, for a specific appropriation act. Following the line item detail, a brief explanation of each boilerplate section in the appropriations bill is provided.

Please note that ~~strikeouts~~ in this report show the effects of vetoes.

If you would like to obtain a Line Item Summary for a particular budget area, please contact Jeanne Dee, Administrative Assistant, at 373-8080.

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GLOSSARY

Frequently-Used State Budget Terms

Adjusted Gross

Total net amount of all line item gross appropriations less (or minus) interdepartmental grants (IDGs) and intradepartmental transfers (IDTs)

Boilerplate

Specific language sections contained in an appropriations act which direct, limit or restrict line item expenditures, and/or require reports

Budget Stabilization Fund (BSF)

The countercyclical economic and budget stabilization fund—also known as the "rainy day" fund

Federal Revenues

Federal grant or matchable revenues dedicated to specific programs

General Fund/General Purpose (GF/GP)

The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues

Gross Appropriations (Gross)

The total of all applicable line item spending authorizations

Interdepartmental Grant (IDG)

Revenue or funds received by one state department from another state department (usually for a service the receiving department provides)

Intradepartmental Transfer (IDT)

Transfers or funds being provided from one appropriation unit to another in the same department

Lapses

Unspent/unobligated funds remaining in line item accounts at the end of the fiscal year

Line Items

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

Local Revenue

Revenues from local units of government

State Restricted (Restricted Funds)

State revenue dedicated to a specific fund; revenue which results from state mandates or initiatives; used for used for specific programs pursuant to the Constitution or statute

Private Funds

Revenues from non-government entities such as rents, royalties or interest payments, payments from hospitals, payments from individuals, and gifts and bequests

School Aid Fund (SAF)

The primary funding source for K-12 schools and Intermediate School Districts (ISDs)

Work Project

An account established to allow for certain specific unspent funds to be carried over from one fiscal year to a succeeding fiscal year or years

DEPARTMENT OF EDUCATION

The State Board of Education is an eight-member elected board which is 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 legislative mandates in the field of education. Major Departmental responsibilities include: development of K-12 instructional programs and administration, certification and professional development of teachers, collecting and reporting educational data, and providing technical assistance to school districts.

Public Act 145 of 2003, the Fiscal Year (FY) 2003-04 Department of Education budget, allocates \$113.4 million in adjusted gross revenues to support educational programs. Of the \$113.4 million in appropriated revenues, 25.9% is GF/GP, 4.2% is local, 0.6% is private, 11.2% is state-restricted, and 58.1% is federal pass-through grants to local school districts and other entities.

Full-time equated unclassified positions	6.0	Full-time equated (FTE) positions not in the state classified service.
Full-time equated classified positions	427.1	Full-time equated (FTE) positions in the state classified service.
GROSS APPROPRIATION	\$114,381,200	Total of all applicable line item appropriations.
Interdepartmental grant from corrections academy lease	1,000,000	Rental revenues from the Department of Corrections.
Total interdepartmental grants and intradepartmental transfers	1,000,000	The total amount of all revenues transferred to the Department of Education for services rendered from the Department of Corrections -Training Academy. This amount is subtracted from the gross appropriation to avoid double-counting expenditure line items.
ADJUSTED GROSS APPROPRIATION	\$113,381,200	Total net amount of all line item gross appropriations less (or minus) interdepartmental grants (IDGs) and intradepartmental transfers (IDTs)
Total federal revenues	65,834,100	Total federal grant revenues.
Total local revenues	4,791,600	Total revenue from local units of government.
Total private revenues	701,400	Total revenues from private sources.
Total other state restricted revenues	12,661,600	Revenues dedicated to a specific fund (other than the General Fund); or revenue earmarked for specific purposes.
GENERAL FUND/ GENERAL PURPOSE	\$29,392,500	The General Fund is the state's primary operating fund. The general fund is the portion of the state's revenue that does not include restricted revenues.

SECTION 102: STATE BOARD OF EDUCATION/ OFFICE OF THE SUPERINTENDENT

The Board of Education is comprised of eight members elected at large for a term of eight years and is vested by the State Constitution to act as the general planning and coordinating body for all public education within the state. The Board exercises leadership and supervision over all public education in the state except for institutions of higher education that grant baccalaureate degrees. The Superintendent of Public Instruction is appointed by and acts as chairman of the Board of Education, functions as the principal executive officer of the Department of Education, and is constitutionally responsible for the execution of board policies.

Full-time equated unclassified positions	6.0	Full-time equated (FTE) positions not in the state classified service.
Full-time equated classified positions	13.0	The full-time equated (FTE) positions in the state classified civil service.
State board of education, per diem payments	\$24,400	Funds per diem expenses for official business conducted by board members; limited to reimbursement for not more than 30 days per year. The state board president is reimbursed \$110 per day; other board members are reimbursed \$100 per day. Funding Source: GF/GP 24,400
<i>Related Boilerplate Section(s): 301, 302</i>		
Unclassified positions - 6.0 FTEs	515,600	Funds Department's unclassified positions, including the Superintendent for Public Instruction, two Deputy Superintendents, and the Director of Communications. Any unexpended revenue reverts back to the general fund. Funding Source: GF/GP 455,800 Federal 53,000 Restricted 6,800
<i>Related Boilerplate Section(s): None</i>		
State board/ superintendent operations - 13.0 FTEs	1,909,300	Conducts education policy development, research related to legislation dealing with the school code, and administrative support to the Board. Includes administrative staff to assist the Superintendent of Public Instruction in the overall management of the Department, development of education policy, and oversight of K-12 education. Funding Source(s): Federal 1,075,900 Private 23,000 Restricted 63,900 GF/GP 746,500
<i>Related Boilerplate Section(s): 301, 302</i>		
GROSS APPROPRIATION	\$2,449,300	Total of all applicable line item appropriations.
Federal revenues	1,128,900	Revenues to administer federally-funded programs.
Certification fees	70,700	Fees collected from issuance of teacher and administrator certificates; fees support state licensure and development activities.
Private foundations	23,000	Revenues from private organizations.

**GENERAL FUND/
GENERAL PURPOSE**

1,226,700

The General Fund is the state's primary operating fund. General Fund/General Purpose is the portion of the state's revenue that does not include restricted revenues.

SECTION 103: CENTRAL SUPPORT

The Central Support office coordinates accounting transactions, budget development, grant and contract administration, and personnel services for the Department. Central Support is the fiscal repository that receives, disburses, and monitors \$113.4 million in state, federal, restricted, and private revenue. This Office also processes state aid payments for local school districts.

Full-time equated classified positions	43.3	Full-time equated (FTE) positions in the state classified service.		
Central support - 43.3 FTE positions	\$5,409,800	Funds personnel and operational costs for the following offices: <u>Office of Financial Management and Administrative Services:</u> Processes all accounting transactions, provides procurement services and contracting, and processes all state aid/school aid notes and payments. <u>Office of Budget, Contracts, and Grants:</u> Provides budgetary support, control, and coordination for federal, state, local, restricted, and private funds. <u>Human Resources office:</u> Manages recruitment, placement, training, labor relations, payroll, and other personnel services for the Department. <u>School Aid office:</u> Provides budgetary support, control, and coordination for over \$12.0 billion in School Aid appropriations.		
		Funding Source(s):	Federal	3,821,200
			Restricted	66,700
			GF/GP	1,521,900
		<i>Related Boilerplate Section(s): 219, 220</i>		
Worker's compensation	26,000	Estimated cost of worker's compensation claims.		
		Funding Source:	GF/GP	26,000
		<i>Related Boilerplate Section(s): None</i>		
Building occupancy charges - property management services	1,346,000	Reflects use charges paid to the Department of Management and Budget (DMB) property management section for office space in the state-owned John Hannah Building.		
		Funding Source(s):	Federal	830,700
			Restricted	191,200
			GF/GP	324,100
		<i>Related Boilerplate Section(s): None</i>		
Training and orientation workshops	100,000	Funds to offset the cost of professional development seminars for local school districts. Activities are supported by fees charged to local school districts.		
		Funding Source:	Restricted	100,000
		<i>Related Boilerplate Section(s): None</i>		
Terminal leave payments	624,100	Funds annual and/or sick leave payments to state employees.		
		Funding Source(s):	Federal	347,700
			Local	93,400
			Restricted	51,400
			GF/GP	131,600
		<i>Related Boilerplate Section(s): None</i>		

GROSS APPROPRIATION	\$7,505,900	Total of all applicable line item appropriations.
Federal revenues	4,999,600	Revenues to administer federally-funded programs.
Certification fees	256,900	Fees collected from issuance of teacher and administrator certificates; fees support state licensure and development activities.
Commodity distribution fees	7,000	Fee charged to local school districts for spoiled surplus commodities.
Driver fees	28,100	Department receives \$4 for each driver license issuance/renewal; funds are used to reimburse school districts for driver education services and administrative costs.
Local cost sharing (schools for the deaf/blind)	93,400	Funds collected from local school districts for services rendered; funds are used for administration.
Motorcycle license fees	5,000	Department receives \$3 from the issuance of each motorcycle license to fund motorcycle education grants; funds are used to help administer the grants.
Teacher testing fees	12,300	Generated from teacher testing fees; funds offset the cost of administering certain sections of the Michigan Test for Teacher Certification; funds are used for administration.
Training and orientation workshop fees	100,000	Revenues received from workshop seminars; fees are used to offset the cost of the workshops.
GENERAL FUND/ GENERAL PURPOSE	\$2,003,600	The General Fund is the state's primary operating fund. General Fund/General Purpose is the portion of the state's revenue that does not include restricted revenues.

SECTION 104: SCHOOL SUPPORT SERVICES

School Support Services unit consists of the Drivers Training and the Food and Nutrition programs. The Food and Nutrition section is the state administrating agent for federal meal reimbursement entitlement programs. The National School Lunch, the School Breakfast program, and the Child Nutrition programs provide nutritionally-balanced, low-cost meals, and/or milk to children and youth statewide from birth through the completion of high school. These programs are available to public and nonprofit schools, residential child care institutions, family day care homes, and child care centers. The Food Distribution programs distribute United States Department of Agriculture food products to indigent families.

Full-time equated classified positions	40.4	Full-time equated (FTE) positions in the state classified service.									
School support operations - 40.4 FTE positions	\$4,667,600	<p>Funds the following:</p> <p><u>Food and Nutrition service:</u> Assists schools, child care centers, and day care homes in implementing major federally-funded school meal programs such as the National School Lunch program. Also oversees two additional food programs: the Emergency Food Assistance program and the Commodity Supplemental Food program.</p> <p><u>Traffic Safety Education and Management services:</u> Oversees bus transportation of children to and from school and driver education programs.</p> <table style="margin-left: 40px;"> <tr> <td>Funding Source(s):</td> <td>Federal</td> <td style="text-align: right;">3,946,000</td> </tr> <tr> <td></td> <td>Restricted</td> <td style="text-align: right;">565,200</td> </tr> <tr> <td></td> <td>GF/GP</td> <td style="text-align: right;">156,400</td> </tr> </table> <p><i>Related Boilerplate Section(s): 702</i></p>	Funding Source(s):	Federal	3,946,000		Restricted	565,200		GF/GP	156,400
Funding Source(s):	Federal	3,946,000									
	Restricted	565,200									
	GF/GP	156,400									
GROSS APPROPRIATION	\$4,667,600	Total of all applicable line item appropriations.									
Federal revenues	3,946,000	Revenues to administer federally-funded programs.									
Commodity distribution fees	65,300	Fees charged to schools for the value of commodities that spoiled as a result of the school's failure to store the products properly; funds are used for administration.									
Driver fees	499,900	Department receives \$4 from each driver license issued/renewed to support driver education programs; funds are used to reimburse school districts for the costs of their driver education programs; funds are used for administration.									
GENERAL FUND/ GENERAL PURPOSE	\$156,400	The General Fund is the state's primary operating fund. General Fund/General Purpose is the portion of the state's revenue that does not include restricted revenues.									

SECTION 105: INFORMATION AND TECHNOLOGY SERVICES

The Information and Technology Services (ITS) unit provides technical support services to the Department, local school districts, and the Center for Educational Performance and Information. This includes ongoing maintenance of computer application systems, large-scale database operations, migration to new technologies, data warehouse management, client server support, computer security, staff training, and strategic planning.

Information technology operations	\$2,514,100	<p>Funds operational costs for Systems Development, Technical Support, Operations, and the Training section.</p> <p><u>Network Services</u>: Responsible for designing and maintaining computer systems for the Department; works closely with Department users to ensure that their needs are reflected in the systems.</p> <p><u>Technical Support/Help Desk</u>: Maintains the local area network and the mainframe computer; unit also provides technical support for Department staff.</p> <p><u>Operations section</u>: Oversees application systems related to the mainframe computer.</p> <table style="margin-left: auto; margin-right: 0; border: none;"> <tr> <td style="padding-right: 20px;">Funding Source(s):</td> <td style="padding-right: 20px;">Federal</td> <td style="text-align: right;">1,276,900</td> </tr> <tr> <td></td> <td>Restricted</td> <td style="text-align: right;">213,000</td> </tr> <tr> <td></td> <td>GF/GP</td> <td style="text-align: right;">1,024,200</td> </tr> </table>	Funding Source(s):	Federal	1,276,900		Restricted	213,000		GF/GP	1,024,200
Funding Source(s):	Federal	1,276,900									
	Restricted	213,000									
	GF/GP	1,024,200									

Related Boilerplate Section(s): 212, 213, 901, 902

GROSS APPROPRIATION	\$2,514,100	Total of all applicable line item appropriations.
Federal revenues	1,276,900	Revenues to administer federally-funded programs.
Certification fees	168,200	Fees collected from the issuance of teacher and administrator certificates; fees support state licensure and development activities.
Driver fees	44,800	Department receives \$4 from each driver license issued/renewed to support driver education programs; funds are used to reimburse school districts for the costs of their driver education programs; funds are used for administration.
GENERAL FUND/ GENERAL PURPOSE	\$1,024,200	The General Fund is the state's primary operating fund. General Fund/General Purpose is the portion of the state's revenue that does not include restricted revenues.

SECTION 106: SPECIAL EDUCATION SERVICES

The Special Education Services unit oversees the administration and funding of early intervention services for disabled students. The office ensures that children and youths are properly identified, evaluated, and provided with appropriate programs and services designed to meet their individual educational needs. Early intervention services are coordinated for infants and toddlers with disabilities according to federal regulations and state standards. A free and appropriate public education is provided to eligible children and youth from birth through age 25, according to federal and state regulations and administrative rules and standards.

Full-time equated classified positions	68.6	Full-time equated (FTE) positions in the state classified service.
Special education operations - 68.6 FTE positions	\$11,237,900	Administrative costs associated with the following functions: providing oversight for the federal and state funded programs, including approximately \$1.0 billion distributed under Article 5 of the State School Aid Act, administering and assuring compliance with all state and federal requirements, and monitoring the quality of pre- and in-service training for special education personnel. <div style="text-align: right; margin-left: 20px;"> Funding Source(s): Federal 11,006,500 Restricted 35,200 GF/GP 196,200 </div>
<i>Related Boilerplate Section(s): 211</i>		
GROSS APPROPRIATION	\$11,237,900	Total of all applicable line item appropriations.
Federal revenues	11,006,500	Revenues to administer federally-funded programs.
Certification fees	35,200	Fees collected from issuance of teacher and administrator certificates; fees support state licensure and professional development training for teachers.
GENERAL FUND/ GENERAL PURPOSE	\$196,200	The General Fund is the state's primary operating fund. General Fund/General Purpose is the portion of the state's revenue that does not include restricted revenues.

SECTION 107: LANSING, MICHIGAN SCHOOL FOR THE BLIND FORMER SITE

Educational services delivered by the Michigan School for the Blind were relocated to the Michigan School for the Deaf and Blind campus in Flint. This appropriation unit supports facility management activities at the former Michigan School for the Blind site in Lansing which is occupied by the Mid-Michigan Academy, the Department of Corrections-Training Academy, and the City of Lansing Network Center. Activities at the facility are supported by revenue received from rent and private donations.

General services	\$1,749,000	Funded by rental payments received from tenants at the site; funds are used to offset utility, maintenance, repair, and renovation costs at the campus.
		Funding Source(s):
		IDG 1,000,000
		Private 10,000
		Restricted 739,000

Related Boilerplate Section(s): 403, 407, 410, 411

GROSS APPROPRIATION	\$1,749,000	Total of all applicable line item appropriations.
Interdepartmental grant revenues from corrections academy lease	1,000,000	Rental revenues from the Department of Corrections for office space for the Department of Correction's Training Academy.
Gifts, bequests, and donations	10,000	Private donations to maintain the superintendent's house.
Lansing, Michigan former school for the blind site - rent	739,000	Rental revenues from the Mid-Michigan Public School Academy and the Lansing Network Center to pay for occupancy costs.
GENERAL FUND/ GENERAL PURPOSE	\$0	The General Fund is the state's primary operating fund. General Fund/General Purpose is the portion of the state's revenue that does not include restricted revenues.

SECTION 108: MICHIGAN SCHOOLS FOR THE DEAF AND BLIND

The Michigan Schools for the Deaf and Blind (MSDB) provide educational and residential services to students who are deaf and/or visually impaired. Schools provide two distinct educational and residential programs for deaf and blind students. Staff at MSDB works with local schools, public school academies, intermediate school districts, and children who are visually or hearing impaired and their families to maintain a model educational system that delivers quality education to hearing-impaired students.

Full-time equated classified positions	93.0	Full-time equated (FTE) positions in the state classified service.
School for deaf/blind operations - 92.0 FTE positions	\$9,201,400	Funds operational costs such as staff salaries, supplies, contractual services, utilities, and facilities maintenance costs to operate the Michigan Schools for the Deaf and Blind in Flint. <div style="text-align: right;"> Funding Source(s): Federal 4,328,800 Local 4,653,400 Private 14,100 Restricted 205,100 </div>
<i>Related Boilerplate Section(s): 401, 402, 404, 408, 409, 412</i>		
Summer institute	90,000	Funds an expanded, short-residency summer institute to teach Braille and life skills to visually-impaired students from around the state who do not participate in the full 180- or 230-day residency program at MSDB. <div style="text-align: right;"> Funding Source: Private 90,000 </div>
<i>Related Boilerplate Section(s): None</i>		
Camp Tuhsmeheeta (touch, smell, hearing, taste) - 1.0 FTE position	250,100	Funds costs to operate a camping facility near Greenville, Michigan, which is used by impaired persons statewide. <div style="text-align: right;"> Funding Source: Private 250,100 </div>
<i>Related Boilerplate Section(s): None</i>		
Private gifts - blind	90,000	Private donations and bequests dedicated to fund summer programs, student activities, and special events for visually impaired students. <div style="text-align: right;"> Funding Source: Private 90,000 </div>
<i>Related Boilerplate Section(s): None</i>		
Private gifts - deaf	50,000	Private donations and bequests dedicated to fund summer programs, student activities, and special events for hearing impaired students. <div style="text-align: right;"> Funding Source: Private 50,000 </div>
<i>Related Boilerplate Section(s): None</i>		
GROSS APPROPRIATION	\$9,681,500	Total of all applicable line item appropriations.
Federal revenues	4,328,800	Revenues to administer federally-funded programs.
Local cost sharing (schools for blind/deaf)	4,503,400	Revenues collected from local school districts to pay for the instructional costs of district students who attend the MSDB in Flint.
Local school district service fees	150,000	Funds charged to local school districts for special education assessment services rendered.

Gifts, bequests, and donations	494,200	Private donations that support the operations of the MSDB in Flint.
Student insurance revenue	205,100	Revenues from insurance providers to offset medical costs incurred by MSDB.
GENERAL FUND/ GENERAL PURPOSE	\$0	The General Fund is the state's primary operating fund. General Fund/General Purpose is the portion of the state's revenue that does not include restricted revenues.

SECTION 109: PROFESSIONAL PREPARATION SERVICES

Professional Preparation Services is responsible for ensuring that all professional school personnel complete quality preparation and professional development programs which meet both standards established by the State Board of Education and the Michigan Legislature and teacher certification requirements.

Full-time equated classified positions	31.0	Full-time equated (FTE) positions in the state classified service.
Professional preparation operations - 31.0 FTE positions	\$5,020,900	<p>Funds personnel and operational costs for the following programs:</p> <p><u>Client Services Unit</u>: Assures that all educational personnel seeking certification meet legal requirements and assures that Michigan schools employ educators who meet teacher certification requirements.</p> <p><u>Program Preparation and Continuing Education Unit</u>: Designs and approves preparation programs for pre-service educators, assesses required skills and knowledge for certification, and monitors continued licensure of educational personnel.</p> <p style="text-align: right;">Funding Source(s): Federal 2,528,100 Restricted 2,492,800</p> <p style="text-align: right;"><i>Related Boilerplate Section(s): 501, 502</i></p>
Department of attorney general	50,000	<p>Funds legal services costs related to teacher tenure litigation.</p> <p style="text-align: right;">Funding Source: Restricted 50,000</p> <p style="text-align: right;"><i>Related Boilerplate Section(s): None</i></p>
GROSS APPROPRIATION	\$5,070,900	Total of all applicable line item appropriations.
Federal revenues	2,528,100	Revenues allocated by the Department to administer federally-funded programs.
Certification fees	2,273,000	Fees collected from the issuance of teacher and administrator certificates; fees support state licensure and professional development training.
Teacher testing fees	269,800	Revenues collected from certifying teachers; funds offset the cost of administering the Michigan Test for Teacher Certification.
GENERAL FUND/ GENERAL PURPOSE	\$0	The General Fund is the state's primary operating fund. General Fund/General Purpose is the portion of the state's revenue that does not include restricted revenues.

SECTION 110: FIELD SERVICES

The Office of Field Services is responsible for assuring that the resources available to school districts are focused and targeted on improved learning for all students. This responsibility includes administration of several federal programs, including Title I - Disadvantaged Children grants. Field Services staff provide school reform assistance services to local school districts by conducting needs assessments and recommending effective improvement strategies.

Full-time equated classified positions	46.9	Full-time equated (FTE) positions in the state classified service.
Field services operations - 46.9 FTE positions	\$5,868,300	<p>The Field Services unit consists of the following programs:</p> <p><u>Central Support</u>: Assists regional teams in their work with schools and school districts, and administers state and federal programs. Responsibility includes applying to the U.S. Department of Education for federal program funds, distributing funds to school districts, and reporting financial data and programmatic results.</p> <p><u>Regional Services unit</u>: Assists schools to improve student achievement by supporting the effective use of the categorical funds for which the office is responsible, as well as other state and regional financial and nonfinancial resources.</p> <p style="text-align: right;">Funding Source(s): Federal 5,868,300</p> <p style="text-align: right;"><i>Related Boilerplate Section(s): None</i></p>
GROSS APPROPRIATION	\$5,868,300	Total of all applicable line item appropriations.
Federal revenues	5,868,300	Revenues to administer federally-funded programs.

SECTION 111: OFFICE OF SCHOOL EXCELLENCE

The Office of School Excellence supports school improvements through the development and promulgation of performance indicators, accreditation, and accountability standards to increase educational performance. It is also responsible for policy development and statewide leadership in the area of school improvement and early childhood and parenting programs.

Full-time equated classified positions	61.5	Full-time equated (FTE) positions in the state classified service.
School excellence operations - 61.5 FTE positions	\$10,413,300	Implements the Michigan Accreditation System, provides leadership in curriculum and instructional programs, supports implementation of the Core Curriculum Standards and Benchmarks, works collaboratively with other departmental units to develop both pre-service and in-service training, and administers early childhood programs.
		Funding Source(s):
		Federal
		Private
		GF/GP
		8,818,200
		79,400
		1,515,700
		<i>Related Boilerplate Section(s): 705</i>
GROSS APPROPRIATION	\$10,413,300	Total of all applicable line item appropriations.
Federal revenues	8,818,200	Revenues to administer federally-funded programs.
Private foundations	79,400	Revenues from private organizations.
GENERAL FUND/ GENERAL PURPOSE	\$1,515,700	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.

SECTION 112: GOVERNMENT SERVICES

The Government Services unit provides legislative services for the Superintendent of Public Instruction and the State Board of Education. It is responsible for the following activities: ongoing interpretation, analysis, and monitoring of the state School Aid budget; participation in the hearings process regarding state legislative initiatives; review of current and proposed State Board policies and procedures; interpretation of laws, policies, and procedures for state and local officials; and customer satisfaction. This office is also responsible for providing information on non-public schools and home schooling.

Full-time equated classified positions	9.1	Full-time equated (FTE) positions in the state classified service.						
Government services operations - 9.1 FTE positions	\$572,300	<p>Includes the following:</p> <p><u>Governmental Services</u>: Interprets laws, policies, and procedures for state and local officials.</p> <p><u>Customer Satisfaction</u>: The Student Issues and Ombudsman unit serves parents, students, school district personnel, community groups/citizens, and educational personnel to obtain and seek solutions to issues affecting students.</p> <p><u>Nonpublic and Home Schools</u>: Administers the Nonpublic School Act, 1921 PA 302, as amended.</p> <p><u>Office of Audits</u>: Provides financial oversight of the Department's state and federal funds, audits pupil membership counts, monitors expenditure of federal funds, and conducts internal audits of departmental operations.</p> <table style="margin-left: auto; margin-right: 0;"> <tr> <td style="padding-right: 20px;">Funding Source(s):</td> <td style="padding-right: 20px;">Federal</td> <td style="text-align: right;">420,400</td> </tr> <tr> <td></td> <td>GF/GP</td> <td style="text-align: right;">151,900</td> </tr> </table> <p style="text-align: right;"><i>Related Boilerplate Section(s): None</i></p>	Funding Source(s):	Federal	420,400		GF/GP	151,900
Funding Source(s):	Federal	420,400						
	GF/GP	151,900						
GROSS APPROPRIATION	\$572,300	Total of all applicable line item appropriations.						
Federal revenues	420,400	Revenues to administer federally-funded programs.						
GENERAL FUND/ GENERAL PURPOSE	\$151,900	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.						

SECTION 113: SAFE SCHOOLS AND ADMINISTRATIVE LAW

The Office of Safe Schools is responsible for providing program development, model programs and policies, and technical assistance on school violence prevention, including a model code of conduct for students. The mission of the Office of Administrative Law is to conduct the administrative appeal hearings for the Michigan Department of Education in cases involving teacher tenure, property transfer, financial audits, child nutrition programs, teacher certification revocation and denials, driver training instructor appeals, and nonpublic school compliances.

Full-time equated classified positions	11.5	Full-time equated (FTE) positions in the state classified service.
Safe schools operations - 2.5 FTE positions	\$393,700	Provides a statewide clearinghouse for school violence information. This Office will also develop model programs and policies to promote school safety. Funding Source(s): Federal 328,600 Restricted 45,000 GF/GP 20,100
<i>Related Boilerplate Section(s): 209</i>		
Administrative law operations - 9.0 FTE positions	710,000	Conducts administrative appeal hearings for the Department in cases involving teacher tenure, property transfer, financial audits, child nutrition programs, teacher certification, and nonpublic school compliance. Funding Source(s): Federal 203,600 Restricted 181,100 GF/GP 325,300
<i>Related Boilerplate Section(s): None</i>		
GROSS APPROPRIATION	1,103,700	Total of all applicable line item appropriations.
Federal revenues	532,200	Revenues to administer federally-funded programs.
Certification fees	226,100	Fees collected from the issuance of teacher and administrator certificates; fees support state licensure and professional development training.
GENERAL FUND/ GENERAL PURPOSE	\$345,400	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.

SECTION 114: EDUCATION OPTIONS, CHARTERS, AND CHOICE

The Education Options, Charters, and Choice unit provides information related to certain choices for parents and students, such as public school academies (PSAs), schools of choice, international education, gifted and talented programs, alternative education, dual enrollment, boarding schools, and advanced placement.

Full-time equated classified positions	8.8	Full-time equated (FTE) positions in the state classified service.						
Education options operations - 8.8 FTE positions	\$1,132,500	<p>Includes the following:</p> <p><u>Public School Academies/Charter Schools:</u> Processes public school academy contracts, authorizes state aid payments, provides information to the public, and interprets sections of the revised school code with charter schools.</p> <p><u>Schools of Choice:</u> Provides technical assistance to local and intermediate school districts, the Legislature, and other interested parties regarding schools of choice issues and boarding schools.</p> <p><u>International Education:</u> Provides leadership in developing and improving international education in local districts by providing technical educational assistance.</p> <p><u>Talent Development:</u> Provides information on advanced placement, dual enrollment, gifted and talented programs (also known as "Advanced and Accelerated" programs), testing out of high school courses, summer institutes, and alternative education.</p>						
		<table style="width: 100%; border: none;"> <tr> <td style="padding-right: 20px;">Funding Source(s):</td> <td style="padding-right: 20px;">Federal</td> <td style="text-align: right;">980,200</td> </tr> <tr> <td></td> <td>GF/GP</td> <td style="text-align: right;">152,300</td> </tr> </table>	Funding Source(s):	Federal	980,200		GF/GP	152,300
Funding Source(s):	Federal	980,200						
	GF/GP	152,300						
		<i>Related Boilerplate Section(s): 601</i>						
GROSS APPROPRIATION	\$1,132,500	Total of all applicable line item appropriations.						
Federal revenues	980,200	Revenues to administer federally-funded programs.						
GENERAL FUND/ GENERAL PURPOSE	\$152,300	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.						

SECTION 115: GRANTS AND DISTRIBUTIONS

The following allocations depict federal and state grants available for distribution to local school districts, local education agencies, post-secondary institutions, private nonprofit agencies, educators, and other organizations that deliver educational services statewide.

Federal - Urgent school renovation grants	\$20,000,000	School repairs and technology projects. Funding Source: Federal 20,000,000
<i>Related Boilerplate Section(s): None</i>		
State - Christa McAuliffe grants funded from private revenues	94,800	Professional development grants to outstanding educators. Funding Source: Private 94,800
<i>Related Boilerplate Section(s): None</i>		
State - driver education	7,600,000	Funds collected from driver's license issuance and renewal to support driver education programs. Funding Source: Restricted 7,600,000
<i>Related Boilerplate Section(s): None</i>		
State - national board certification	100,000	Grants to pay one-half of the fee for teachers to become certified by the National Board for Professional Teaching Standards. Funding Source: Restricted 100,000
<i>Related Boilerplate Section(s): 704</i>		
State - breakfast programs	10,370,100	Reimburse schools for meals served to disadvantaged students. Funding Source: GF/GP 10,370,100
<i>Related Boilerplate Section(s): 702</i>		
State - School readiness grants	12,250,000	Competitive grants to private and non-profit organizations to deliver early childhood education. Funding Source: GF/GP 12,250,000
<i>Related Boilerplate Section(s): 703</i>		
GROSS APPROPRIATION	\$50,414,900	Total of all applicable line item appropriations.
Federal - DED-OESE, urgent school renovation	20,000,000	Emergency funds to repair school buildings, including use of funds to upgrade wiring and hardware and software.
Certification fees	100,000	Fees collected from the issuance of teacher certificates; funds will pay one-half of the cost for teachers who receive certification from the National Board for Professional Teaching Standards.
Driver fees	7,600,000	Department receives \$4 for each driver license issuance/renewal to promote driver education programs; funds provide a reimbursement to school districts for the costs of their driver education program.
Private foundations	94,800	Department receives these funds from the Christa McAuliffe foundation, which awards fellowships on a competitive basis to experienced and outstanding teachers.

**GENERAL FUND/
GENERAL PURPOSE**

\$22,620,100

The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.

BOILERPLATE SECTION INFORMATION

Sec. 201. State Spending to Local Governments

Payments to local units of government.

Sec. 202. Management and Budget Act

Appropriations under this act are subject to the management and budget act.

Sec. 203. Definitions

Defines acronyms and other words as used in the act.

Sec. 204. 1% Civil Service Fee

Administrative fee charged to each state department for personnel services.

Sec. 205. Hiring Freeze

Prohibits the Department from hiring new employees that are not critical to delivering basic services.

Sec. 206. Posting Reports on the Internet

Requires the Department to post reports required by boilerplate on its website.

Sec. 207. Carry-Forward Authority

Authorizes the Department to carry forward unexpended federal funds from fiscal year to year in accordance with federal guidelines.

Sec. 208. State Board Information

Requires the Department to forward board information to various governmental agencies.

Sec. 209. Office for Safe Schools

Defines the responsibilities of the Office of Safe Schools.

Sec. 210. Personnel Records

Requires the Department to retain teacher personnel records regarding sexual misconduct.

Sec. 211. Special Education Auditors

Provides funding for 1.0 special education auditors.

Sec. 212. Information Technology

Requires Department to pay user fees to the Department of Information Technology for technology-related services and projects.

Sec. 213. Work Projects

States that funds may be designated as work projects and carried forward to support technology projects under the direction of the Department of Information Technology.

Sec. 214. Report Retention

Requires departments and state agencies to follow federal and state guidelines for short-term and long-term retention of reports.

Sec. 215. Privatization

Requires the Department to advise the Legislature 60 days before any efforts to privatize goods or services previously delivered by civil service employees.

Sec. 216. Purchase of Foreign Goods

Prohibits the use of state funds to purchase foreign-made goods if comparable American or Michigan goods are available.

Sec. 217. Economically Distressed Areas

Encourages the Department to contract with businesses in economically distressed areas.

Sec. 218. Personal Services Contracts

Requires a report on all personnel services contracts awarded without competitive bidding, pricing, or rate setting.

Sec. 219. Motorcycle Safety Grants

Requires the Department to work with the Department of State to ensure Motorcycle Safety Education Grants are administered in the same manner as in FY 2002-03.

Sec. 220. Off-Road Vehicle Safety Grants

Requires the Department to work with the Department of Natural Resources to ensure Motorcycle Safety Education Grants are administered in the same manner as in FY 2002-03.

Sec. 222. Adequate Yearly Progress Waiting Period

Requires the Department to allow a 30-day appeal process before publishing a list of districts determined to have failed to make Adequate Yearly Progress.

Sec. 301. Per Diem Payments

Authorizes the Department to make per diem payments to members of the State Board of Education.

Sec. 302. Travel Expenditures

Prohibits more than \$35,000 to be spent for in-state travel for Board of Education members and prohibits out-of-state travel.

Sec. 401. Michigan Schools for the Deaf and Blind Employees

Stipulates that employees who work on a school year basis shall be considered annual employees for purposes of service credits, retirement, and insurance benefits.

Sec. 402. Payment for Instruction at the School for the Deaf and Blind

Requires the Department to assess the intermediate school district of residence 100% of the cost of operating the student's instructional program for each student enrolled at the Michigan schools for the deaf and blind.

Sec. 403. Rent for Michigan Schools for the Blind Former Site

Authorizes the Department to assess rent to any state agency for the use of any facility.

Sec. 404. Michigan Schools for the Deaf and Blind – Flint - Rent

Allows the Department to assess rent to any state agency for the use of any facility.

Sec. 407. General Services Expenditures

Requires the Department to report detailed information on the expenditures made for general services for the Michigan School for the Blind's former site.

Sec. 408. Federal Medicaid Program

Allows the Department to assist other departments to secure reimbursement for eligible services provided in Michigan schools from the federal Medicaid program.

Sec. 409. Residential Program

Authorizes the Michigan schools for the deaf and blind to promote its residential program as a possible appropriate option for children who are deaf or hard of hearing or who are blind or visually impaired.

Sec. 410. Capital Improvements

Authorizes the Department to receive and expend funds from the mid-Michigan academy for capital improvements.

Sec. 411. Rental Payments

Requires the Department to ensure rental payments made by tenants are used for operation, maintenance, and renovation.

Sec. 412. Reporting on the Numbers of Blind Students

Requires the Department to submit a report on the number of blind students in Michigan.

Sec. 501. Felony Conviction Files

Requires Department to maintain professional personnel register and certificate revocation/felony conviction files.

Sec. 502. Student Teaching Credits

States that one-half of all student teaching credits can be earned through substitute teaching.

Sec. 601. Administration of the Charter School Office

Earmarks funds to operate the charter school office.

Sec. 701. Disbursement to General Fund Grantees

Requires the Department to disburse to a general fund grantee in accordance with the federal disbursement schedule.

Sec. 702. School Breakfast Program

Provides for state program to reimburse local schools for meals served to students.

Sec. 703. School Readiness Program

Outlines eligibility criteria for early childhood education delivered by nonprofit organizations.

Sec. 704. National Board Certification

Authorizes funds to pay one-half of the fee for teachers to become certified by the National Board for Professional Teaching Standards.

Sec. 705. 21st Century Community Learning Centers

Requires the Department to ensure that the application for 21st Century Community Learning Centers funds was developed in consultation with appropriate state officials.

Sec. 801. Teacher Tenure Report

Requires the Department to submit a report about teacher tenure by December 31, 2003.

Sec. 901. Collaboration with Center for Educational Performance and Information

Requires the Department to work collaboratively with the Center for Educational Performance and Information to support data collection.

Sec. 902. Collaboration with the Michigan Virtual University

Requires the Department to work collaboratively with Michigan Virtual University to Implement Freedom to Learn grants.

Fourth Floor, North Tower, Anderson Building
124 North Capitol Avenue, Lansing, Michigan 48933

Mail to: P. O. Box 30014
Lansing, Michigan 48909-7514

Phone: 517-373-8080 FAX: 517-373-5874
www.house.mi.gov/hfa



Mitchell E. Bean, Director
Bill Fairgrieve, Deputy Director

COMMUNITY HEALTH **Bill Fairgrieve, Deputy Director**
Medicaid Bill Fairgrieve, Senior Analyst
Mental Health–Substance Abuse Margaret Alston, Senior Analyst
Public Health–Aging Susan Frey, Senior Analyst

EDUCATION AND HUMAN SERVICES **Hank Prince, Associate Director**
Higher Education Hank Prince, Senior Analyst; Kyle I. Jen, Senior Analyst
Career Development–Consumer and Industry Services–Michigan Strategic Fund Steve Stauff, Senior Analyst
Community Colleges Kyle I. Jen, Senior Analyst
Family Independence Agency
Administration–Grants–Staffing Richard Child, Senior Analyst
Child and Family Services–Juvenile Justice Erin Black, Senior Analyst
Education Mary Ann Cleary, Senior Analyst; Laurie Cummings, Senior Analyst
School Aid Mary Ann Cleary, Senior Analyst; Laurie Cummings, Senior Analyst
Transportation William E. Hamilton, Senior Analyst

GENERAL GOVERNMENT **Al Valenzio, Associate Director**
Capital Outlay–Retirement–Supplementals Al Valenzio, Senior Analyst
Attorney General–Auditor General–Civil Rights–Civil Service–Executive Office–
Information Technology–Legislature–Lottery–Management and Budget–State Robin Risko, Senior Analyst
Treasury Jim Stansell, Economist
History, Arts, and Libraries Steve Stauff, Senior Analyst
Corrections–Judiciary–Bill Analysis System Marilyn Peterson, Senior Analyst
Agriculture–Clean Michigan Initiative–Environmental Quality–Federal Funds Monitoring–
Natural Resources–Natural Resources Trust Fund Kirk Lindquist, Senior Analyst
Military and Veterans Affairs–State Police Hannah Lee, Fiscal Analyst
Legislative Transfers Kyle I. Jen, Senior Analyst

FISCAL OVERSIGHT, AUDIT AND LITIGATION **William E. Hamilton, Senior Analyst**

ECONOMIC AND REVENUE FORECAST–TAX ANALYSIS **Rebecca Ross, Senior Economist**
Jim Stansell, Economist

SUPPORT STAFF

Office Manager Sharon Risko, Administrative Assistant
Publications and Data Jeanne Dee, Administrative Assistant
Community Health–Corrections–Family Independence Agency–Judiciary–
HFA Library Tumai Burris, Budget Assistant
Community Colleges–Education–Higher Education–School Aid–Transportation–
Transfers–HFA Internet–Bill Analysis Barbara Graves, Budget Assistant
Agriculture–Capital Outlay–Career Development–Consumer and Industry Services–
Environmental Quality–General Government–History, Arts, and Libraries–
Michigan Strategic Fund–Military and Veterans Affairs–Natural Resources–Retirement–
Revenue and Tax Analysis–State Police–Supplementals Kim O’Berry, Budget Assistant
Facilities Coordinator Ericah Caughey

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Additional copies of this report can be obtained from:

House Fiscal Agency
P.O. Box 30014
Lansing, MI 48909-7514
(517) 373-8080
FAX (517) 373-5874
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