

**Summary: Executive Budget Recommendation
for Fiscal Year 2024-25
DEPARTMENT OF EDUCATION**



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	FY 2023-24	FY 2024-25	Difference: FY 2024-25	
	Enacted as of 2/7/24	Executive	Amount	%
IDG/IDT	\$0	\$0	\$0	--
Federal	458,009,100	82,550,500	(375,458,600)	(82.0)
Local	5,856,000	5,868,500	12,500	0.2
Private	2,791,300	2,542,200	(249,100)	(8.9)
Restricted	50,072,000	10,117,800	(39,954,200)	(79.8)
GF/GP	130,652,500	61,746,100	(68,906,400)	(52.7)
Gross	\$647,380,900	\$162,825,100	(\$484,555,800)	(74.8)
FTEs	640.5	566.5	(74.0)	(11.6)

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

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

Major Budget Changes from FY 2023-24 Enacted Appropriations	FY 2023-24 Enacted (as of 2/7/24)	Executive Change from Enacted
1. Transfer of Office of Great Start	FTE 77.0	(77.0)
Transfers out \$430.4 million Gross (including \$54.4 million GF/GP) and authorizations for 77.0 FTE positions for the Office of Great Start to the new Department of Lifelong Education, Advancement, and Potential (MiLEAP). Transfer includes changes for defined calculations.	Gross \$430,162,400	(\$430,364,700)
	Federal 375,480,600	(375,606,500)
	Private 250,000	(250,000)
	Restricted 64,600	(64,600)
	GF/GP \$54,367,200	(\$54,443,600)
2. Transfer of Information Technology	Gross \$5,020,800	(\$390,300)
Transfers \$390,300 Gross (\$167,800 GF/GP) from Information Technology to MiLEAP. Transfer includes changes for defined calculations.	Federal 2,634,400	(222,500)
	Restricted 948,500	0
	GF/GP \$1,437,900	(\$167,800)
3. Transfer of Departmental Administration and Support	Gross \$3,972,900	(\$161,200)
Transfers \$161,200 Federal for property management from Departmental Administration and Support to MiLEAP. Transfer includes changes for defined calculations.	Federal 1,251,700	(161,200)
	Restricted 274,500	0
	GF/GP \$2,446,700	\$0
4. Infrastructure and Consolidation Administration	FTE 2.0	0.0
Maintains and revises \$750,000 one-time GF/GP and authorizations for 2.0 FTE positions in the current year to be ongoing to administer funding for school consolidation, infrastructure, and the Healthy Schools Program that was appropriated in the School Aid budget in FY 2023-24. Allocates \$375,000 to partner with the Department of Technology, Management, and Budget (DTMB).	Gross \$750,000	\$0
	GF/GP \$750,000	\$0

Major Budget Changes from FY 2023-24 Enacted Appropriations		FY 2023-24 Enacted (as of 2/7/24)	Executive Change from Enacted
5. Grants Management	FTE	48.6	3.0
Provides \$520,000 GF/GP and authorizes 3.0 FTE positions to support the administration of grant funds to districts and to ensure that all state and federal requirements are met. Includes \$200,000 and 1.0 FTE position for central support operations and \$320,000 and 2.0 FTE positions for school support services operations.	Gross	\$8,159,400	\$520,000
	Federal	4,421,700	0
	Restricted	294,400	0
	GF/GP	\$3,443,300	\$520,000
6. Summer EBT Food Benefits	FTE	78.6	2.0
Provides \$500,000 GF/GP and authorizes 2.0 FTE positions to administer a summer food benefit program for low-income children and to meet the state's administrative match requirement for an associated federal grant program, which would provide an estimated \$108.0 million in federally funded benefits. Additional administration and food assistance appropriations are included in the Department of Health and Human Services.	Gross	\$14,826,400	\$500,000
	Federal	12,829,300	0
	Restricted	150,000	0
	GF/GP	\$1,847,100	\$500,000
7. Comprehensive Mental Health Administration	FTE	78.6	2.0
Provides \$500,000 GF/GP and authorizes 2.0 FTE positions to expand behavioral health supports and assist schools with mental health programs.	Gross	\$14,826,400	\$500,000
	Federal	12,829,300	0
	Restricted	150,000	0
	GF/GP	\$1,847,100	\$500,000
8. Career and Technical Education Administration	FTE	24.0	2.0
Provides \$350,000 GF/GP and authorizes 2.0 FTE positions for additional support for career and technical programs.	Gross	\$5,440,300	\$350,000
	Federal	4,052,300	0
	GF/GP	\$1,388,000	\$350,000
9. Poet Laureate	Gross	\$100,000	\$0
Maintains and revises \$100,000 one-time GF/GP in the current year to be ongoing to support a Michigan Poet Laureate program with funding for travel and events to promote poetry, the spoken word, and the literary arts.	GF/GP	\$100,000	\$0
10. Department Reorganization	FTE	167.6	0.0
Transfers \$783,900 Gross (\$139,500 GF/GP) and 6.0 FTE authorizations from Departmental Administration and Support and \$39,600 Federal from the Office of Great Start as follows:	Gross	\$33,841,400	\$0
• \$781,800 Gross (\$139,500 GF/GP) and 6.0 FTE authorizations to Systems, Evaluation, and Technology	Federal	27,883,100	0
• \$41,700 Federal to School Support Services	Private	250,000	0
	Restricted	318,900	0
	GF/GP	\$5,389,400	\$0
11. Removal of FY 2023-24 One-Time Appropriations	FTE	2.0	(2.0)
Removes \$58.6 million Gross (\$18,5 million GF/GP) of one-time funding that was included in the FY 2023-24 budget to support the following:	Gross	\$58,475,000	(\$58,475,000)
• E-rate Special Construction Matching Fund (\$4.8 million GF/GP)	Federal	100,000	(100,000)
• Family and Community Engagement (\$200,000 GF/GP)	Restricted	40,000,000	(40,000,000)
• Head Start Background Checks (\$100,000 Federal)	GF/GP	\$18,375,000	(\$18,375,000)
• Michigan School for the Deaf Dorm (\$40.0 million School Aid Fund)			
• Michigan Test for Teacher Certification Reimbursement (\$1.0 million GF/GP)			
• PRIME Schools (\$6.0 million GF/GP)			
• Toolkit Development (\$150,000 GF/GP)			
• Wonderschool (\$5.5 million GF/GP)			
12. Economic Adjustments	Gross	NA	\$2,145,400
Reflects increased costs of \$2.1 million Gross (\$710,000 GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2024), actuarially required retirement contributions, worker's compensation, building occupancy charges, rent, and other economic adjustments.	Federal	NA	1,311,600
	Local	NA	12,500
	Private	NA	900
	Restricted	NA	110,400
	GF/GP	NA	\$710,000

Major Boilerplate Changes from FY 2023-24

Executive Boilerplate Deletions

In general, the executive budget deletes a large majority of boilerplate included in the FY 2023-24 budget. The list below includes major changes to boilerplate but is not a comprehensive list of all sections proposed to be deleted.

- Department Financial Information (Sec. 213)
- Restrict Funds Report (Sec. 214)
- Department Information (Sec. 215)
- State Administrative Board Transfer (Sec. 219)
- Report on Policy Changes Made to Implement Public Acts Affecting Department (Sec. 221)
- Communication with the Legislature (Sec. 222)
- Records Retention (Sec. 223)
- Expending Available Work Project Authorization (Sec. 224)
- Severance Pay Reporting (Sec. 225)
- Prioritize In-Person Work (Sec. 231)
- Department Transparency (Sec. 240)
- Michigan Test for Teacher Certification Reimbursement (Sec. 1104)
- PRIME Schools (Sec. 1105)
- Wonderschool (Sec. 1106)
- Michigan School for the Deaf Dorm (Sec. 1107)

Sec. 207. Geographically Disadvantaged Business Enterprises – REVISED

Revises definition of geographically disadvantaged business enterprises to definition included in Executive Directive 2023-1. Revises to Sec. 206.

Sec. 226. Interdepartmental Coordination of Services – REVISED

Revises to require MDE to coordinate with MiLEAP instead of the Department of Licensing and Regulatory Affairs (LARA). Removes requirement to coordinate overseeing child care providers.

Sec. 703. Michigan Core Curriculum – REVISED

Revises to require MDE to continuously design, implement, and evaluate professional learning and optional curriculum modules.

Sec. 1002. CDC Provider Reimbursement Rate – DELETED

Requires MDE to publish reimbursement rates on its webpage. Moves to MiLEAP boilerplate.

Sec. 1003. Early Childhood Investment Corporation Annual Report – DELETED

Requires MDE to submit an annual report on all funding appropriated to contracts for the early childhood comprehensive systems learning. Moves to MiLEAP boilerplate and consolidates with Sec. 1007.

Sec. 1007. CDC Joint Annual Report – DELETED

Requires MDE to collaborate with LARA and the Michigan Department of Health and Human Services (DHHS) to create a joint annual report for the program's external support. Moves to MiLEAP boilerplate.

Sec. 1008. Home Visit Program Coordination – DELETED

Requires MDE to provide services to families for home visits. Moves to MiLEAP boilerplate.

Sec. 1009. CDC Increase to Eligibility Entrance Threshold – DELETED

Requires MDE to set the entrance income threshold for the CDC program to 200% of the federal poverty guidelines. Moves to MiLEAP boilerplate.

Sec. 1011. CDC Payments Based on Enrollment – DELETED

Requires MDE to implement payments to providers based on enrollment rather than attendance. Moves to MiLEAP boilerplate.

Sec. 1012. Child Mental Health – DELETED

Requires MDE to collaborate with DHHS to continue the network of infant and early childhood mental health consultation. Moves to MiLEAP boilerplate.

Sec. 1014. Family and Community Engagement – DELETED

Requires MDE to partner with family engagement centers to increase parent and guardian involvement in their child's education. Moves to MiLEAP boilerplate.

Sec. 1103. School Consolidation and Infrastructure Administration – REVISED

Revises to allocate \$375,000 to administer school consolidation, infrastructure, and the Healthy Schools Program, and allocates \$375,000 to partner with DTMB. Revises to Sec. 604 to reflect ongoing nature of funding.

Major Boilerplate Changes from FY 2023-24

Sec. 1105. Poet Laureate – REVISED

Revises to Sec. 805 to reflect ongoing nature of funding.

Supplemental Recommendations for FY 2023-24 Appropriations

**FY 2023-24
Recommendation**

1. Employee Lump Sum Payments

Includes \$309,200 GF/GP to cover costs of one-time lump sum payments for eligible state employees. The Civil Service Commission approved payments of \$2,250 for staff employed full-time as of December 23, 2023.

Gross	\$309,200
GF/GP	\$309,200