

LINE ITEM AND BOILERPLATE SUMMARY

COMMUNITY COLLEGES

Fiscal Year 2023-24
Article 2, Public Act 103 of 2023
Senate Bill 173 as Enacted



Perry Zielak, Senior Fiscal Analyst

September 2023

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September 2023

TO: Members of the Michigan House of Representatives

The House Fiscal Agency has prepared a **Line Item Summary** for each of the FY 2023-24 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).

A handwritten signature in black ink that reads "Mary Ann Cleary".

Mary Ann Cleary, Director

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GLOSSARY

STATE BUDGET TERMS

Line Item

Specific funding amount in an appropriation bill which establishes spending authorization for a particular program or function.

Boilerplate

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

Lapse

Appropriated amounts that are unspent or 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

Account authorized through statutory process which allows appropriated spending authorization from one fiscal year to be utilized for expenditures in a succeeding fiscal year or years for a specific project or purpose.

APPROPRIATIONS AND FUND SOURCES

Appropriations

Authority to expend funds for a particular purpose. An appropriation is not a mandate to spend.

Gross: Total of all applicable appropriations in an appropriation bill.

Adjusted Gross: Net amount of gross appropriations after subtracting interdepartmental grants (IDGs) and intradepartmental transfers (IDTs).

Interdepartmental Grant (IDG) Revenue

Funds received by one state department from another state department—usually for service(s) provided.

Intradepartmental Transfer (IDT) Revenue

Funds transferred from one appropriation unit to another within the same departmental budget.

Federal Revenue

Federal grant or match revenue; generally dedicated to specific programs or purposes.

Local Revenue

Revenue received from local units of government for state services.

Private Revenue

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

State Restricted Revenue

State revenue restricted by the State Constitution, state statute, or outside restriction that is available only for specified purposes; includes most fee revenue; at year-end, unused restricted revenue generally remains in the restricted fund.

General Fund/General Purpose (GF/GP) Revenue

Unrestricted general fund revenue available to fund basic state programs and other purposes determined by the legislature; unused GF/GP revenue lapses to the General Fund at the end of a fiscal year.

MAJOR STATE FUNDS

General Fund

The state's primary operating fund; receives state revenue not dedicated to another state fund.

School Aid Fund (SAF)

A restricted fund that serves as the primary state funding source for K-12 schools and Intermediate School Districts. Constitutionally, SAF revenue may also be used for postsecondary education.

Budget Stabilization Fund

The Countercyclical Economic and Budget Stabilization Fund (also known as the "rainy day fund"); the Management and Budget Act provides guidelines for making deposits into and withdrawals from the fund.

COMMUNITY COLLEGES

The 1963 Michigan Constitution charged the legislature with providing by law for the establishment and financial support of public community colleges controlled by locally elected boards, which it did with enactment of the Community College Act of 1966. Twenty-eight public community colleges have been established, each drawing its students primarily from within a district organized under statute; each is governed by a locally elected board of trustees. Community colleges are supported primarily through a combination of state appropriations, tuition and fees, and local property tax revenues.

Community colleges offer a wide range of programs that are generally two years or less in duration, including: vocational-technical education leading to an associate's degree, education in anticipation of transfer to a four-year institution, basic skills, and customized training or retraining for displaced workers. Since 2012, community colleges have been statutorily permitted to offer baccalaureate degrees in a limited number of majors: cement technology, maritime technology, energy production technology, and culinary arts.

Since enactment of the FY 2011-12 budget in 2011, the Community Colleges budget has been enacted as Article II of the State School Aid Act, rather than being enacted as a standard one-year budget act.

GROSS APPROPRIATION	\$544,517,500	Total of all applicable line item appropriations.
Total interdepartmental grant/intrdepartmental transfer revenue	0	Revenue received from other departments or transferred within the department.
ADJUSTED GROSS APPROPRIATION	\$544,517,500	Gross appropriation less (or minus) interdepartmental grant (IDG) and intradepartmental transfer (IDT) revenue.
Total federal revenue	0	Revenue received from federal departments and agencies.
Total local revenue	0	Revenue received from local units of government.
Total private revenue	0	Revenue received from private individuals and entities.
Total state restricted revenue	544,517,500	State revenue dedicated to a specific fund (other than the General Fund); or revenue earmarked for a specific purpose.
STATE GENERAL FUND/ GENERAL PURPOSE	\$0	Unrestricted state revenue from taxes and other sources.

SECTION 201(2): OPERATIONS

For FY 2023-24, total appropriations for community college operations increased by \$16.7 million from the prior fiscal year. Operations increases are allocated using a performance indicators formula that distributes the increase as follows:

- 30% in proportion to FY 2022-23 base funding
- 30% based on contact-hour-equated students, weighted for health and technology fields
- 10% based on performance completion improvement
- 10% based on performance completion number
- 10% based on performance completion rate
- 5% based on administrative costs
- 5% based on a local strategic value component

In addition, FY 2023-24 operations appropriations included a breakout of North American Indian Tuition Waiver payments to community colleges, which cover the costs of waiving tuition for eligible Native American students. Funding sources shown below reflect amounts administratively allocated to each community college.

Related Boilerplate Section(s) for all items in this Section: 203, 204, 205, 206, 217a, 217b, 219, 222, 223, 229, 230

Alpena Community College	\$6,327,100	Alpena Community College is situated on a 700-acre campus in Alpena, bordered by the Thunder Bay River. Founded in 1952 as part of the Alpena Public Schools, the college separated from the school district in 1979. The college's voting district, which overlaps the public school district, comprises most of Alpena County and the southeastern corner of Presque Isle County. The college also maintains a secondary campus in Oscoda.
		Funding Source(s): Restricted 6,327,100
Bay de Noc Community College	6,299,200	Established in 1963, Bay de Noc Community College is situated on a 160-acre campus in Escanaba, Delta County. In 2007, the college opened a 67,000 square foot facility in Iron Mountain, Dickinson County, partially supported by a local millage. Courses are also offered in Manistique. The college's voting district consists of Delta County, with residents of Dickinson County also eligible for in-district tuition. The college also provides reciprocal in-state tuition rates to residents of several Wisconsin counties.
		Funding Source(s): Restricted 6,299,200
Delta College	16,690,500	Founded in 1961, Delta College is situated on a 640-acre campus in University Center, Bay County. The college's voting district comprises the tri-county area of Midland, Bay, and Saginaw counties. In addition to its main campus in University Center, the college operates facilities in Saginaw, Midland, and Bay City.
		Funding Source(s): Restricted 16,690,500
Glen Oaks Community College	2,939,000	Established in 1965, Glen Oaks Community College is situated on a 300-acre campus in Centreville, St. Joseph County. The college's voting district consists of St. Joseph County, although the college also offers discounted tuition rates to Cass County residents in the Three Rivers, White Pigeon, or Constantine school districts, as well as residents in Branch County and Elkhart, LaGrange, St. Joseph and Steuben counties in Indiana.
		Funding Source(s): Restricted 2,939,000

Gogebic Community College	5,367,600	Originally founded in 1932 as part of the Ironwood School District, the Gogebic Community College district was established in 1965. The college is situated on a 260-acre campus in Ironwood, Gogebic County. The college owns and operates the Mt. Zion recreational complex, and offers courses at the Copper Country Center in Houghton.
Funding Source(s): Restricted 5,367,600		
Grand Rapids Community College	20,966,400	Founded in 1914, GRCC was the state's first community college, and among the first community colleges in the country. The college was originally established as part of the Grand Rapids Public Schools, but separated from the school district in July 1991. The college's voting district overlaps the Kent Intermediate School District, encompassing 20 public school districts. GRCC has the Main and DeVos campuses located in downtown Grand Rapids, in addition to offering classes at its Lakeshore Campus in Holland and other locations in the Grand Rapids area.
Funding Source(s): Restricted 20,966,400		
Henry Ford College	24,943,900	Established in 1938, the college is organized as part of the Dearborn Public Schools as both the college and the school district feature the same board. The college's main campus is located on land originally donated to the college in 1956 by Ford Motor Company from the estate of Henry Ford. The college also offers courses at its east campus, which houses a Michigan Technical Education Center (M-TEC).
Funding Source(s): Restricted 24,943,900		
Jackson College	13,887,400	Established in 1928 as part of the Jackson Union School District, the college became a separate district in 1962, with the college's voting district comprising Jackson County. The college's main campus is located on 500 acres south of the City of Jackson. In addition to its main campus, the college offers courses at the Lenawee Intermediate School District Tech Center in Adrian, and the LeTarte Center in Hillsdale.
Funding Source(s): Restricted 13,887,400		
Kalamazoo Valley Community College	14,539,400	Established in 1966; the KVCC voting district comprises ten public school districts in the Kalamazoo area (Climax-Scotts, Comstock, Galesburg-Augusta, Gull Lake, Kalamazoo, Mattawan, Parchment, Portage, Schoolcraft, and Vicksburg). The college's main campus is located on 187 acres in Texas Township (southwest of Kalamazoo). The nearby Groves Center Campus houses an M-TEC center and various career academies. The college's Arcadia Commons Campus, in downtown Kalamazoo, houses the Kalamazoo Valley Museum and the Center for New Media. The Bronson Healthy Living Campus was created in cooperation with Bronson Healthcare and the Kalamazoo Community Mental Health and Substance Abuse Services.
Funding Source(s): Restricted 14,539,400		
Kellogg Community College	11,290,200	Established in 1956 as part of the Battle Creek Public Schools, the college was separated from the school district in 1970. The college offers courses at its main campus in Battle Creek, with additional facilities in Albion (Eastern Academic Center), Coldwater (Grahl Center), Hastings (Fehsenfeld Center), and the M-TEC center at Ft. Custer Industrial Park. The college's voting district comprises 11 school districts covering portions of Calhoun, Barry, Branch, Hillsdale, Kalamazoo, and St. Joseph counties (Albion, Athens, Battle Creek, Harper Creek, Homer, Lakeview, Mar-Lee, Marshall, Pennfield, Tekonsha, and Union City).
Funding Source(s): Restricted 11,290,200		

Kirtland Community College	3,792,900	Established in 1966, the college's district comprises six public school districts (Crawford-AuSable, Fairview Area, Roscommon Area, Houghton Lake, Mio-AuSable, and West Branch-Rose City). Spanning nine counties, the district is geographically the largest community college district in the state. The college's central campus is located in Grayling and an M-TEC center located in Gaylord.
		Funding Source(s): Restricted 3,792,900
Lake Michigan College	6,321,600	Established in 1946 as Benton Harbor Junior College, the college was later renamed with the creation of a county-wide community college district. Today, the college's voting district comprises all of Berrien County, Covert Township and the South Haven Public Schools district in Van Buren County. The college's main campus is located in Benton Township. The college also maintains a campus in Bertrand Township (Bertrand Crossing Campus, located southwest of Niles), South Haven, and hosts courses at the Allegan Tech Center.
		Funding Source(s): Restricted 6,321,600
Lansing Community College	35,752,700	Established in 1957, the college's voting district comprises 15 school districts surrounding Lansing (Bath, Dansville, DeWitt, East Lansing, Grand Ledge, Haslett, Holt, Lansing, Leslie, Mason, Okemos, Stockbridge, Waverly, Webberville, and Williamston). The college's main campus is located in downtown Lansing and includes a university center. The college also operates a west campus (including an M-TEC center) in Delta Township, an east campus in East Lansing, and locations in Mason and Howell.
		Funding Source(s): Restricted 35,752,700
Macomb Community College	37,661,900	Established in 1954 as part of the Van Dyke Public Schools, the college became a separate entity in 1962, with a voting district encompassing all of Macomb County. The college's main location, Center Campus, is located in Clinton Township as is its East Campus, which houses the college's Public Service Institute (police, fire/EMS, industrial health and safety programs). The college also maintains a South Campus and an M-TEC center in Warren.
		Funding Source(s): Restricted 37,661,900
Mid Michigan Community College	5,798,500	Established in 1965, the college's voting district spans portions of Clare, Gladwin, and Isabella counties, and includes the Beaverton, Clare, Farwell, Gladwin, and Harrison school districts. The college's 560-acre main campus and an M-TEC center are located in Harrison. The college also operates facilities in Mt. Pleasant, including the Doan Center for Science and Health Technologies, which houses many of the college's health professions programs.
		Funding Source(s): Restricted 5,798,500
Monroe County Community College	5,286,800	Established in 1964, the college opened to students in 1967 with the completion of its main campus in Monroe Charter Township. The 210-acre campus consists of seven buildings, including the La-Z-Boy Center, a multi-purpose educational and performing arts venue. In addition, the college also offers courses at the Whitman Center in Bedford Township. The college maintains a reciprocity agreement allowing Ohio residents to pay out-of-district rates if their program of study is not offered at Owens Community College in Ohio. The college's voting district consists of Monroe County.
		Funding Source(s): Restricted 5,286,800

Montcalm Community College	3,966,700	Established in 1965, the college's main 220-acre campus is located in Sidney, in central Montcalm County. The college's voting district comprises the Carson/Crystal, Central Montcalm, Greenville, Lakeview, Montabella, Tri County, and Vestaburg school districts, spanning portions of Clinton, Gratiot, Kent, Ionia, Isabella, Mecosta, Montcalm, and Newaygo counties. In addition to its main campus, the college maintains an M-TEC center in Greenville.
Funding Source(s): Restricted 3,966,700		
C.S. Mott Community College	17,823,200	Established by the Flint Board of Education in 1923, the college separated from the school district, becoming Genesee Community College, following approval by Genesee County voters in 1969. In 1973, the college was renamed Charles Stewart Mott Community College. The college's voting district comprises the Genesee Intermediate School District, except for Maple Grove and Birch Run townships. The college's main campus, an M-TEC center, and the Workforce Education Center are located in Flint. The college also maintains extension centers in Clio, Fenton, Howell, and Lapeer, and offers courses at a service center in Owosso, and other community technology centers.
Funding Source(s): Restricted 17,823,200		
Muskegon Community College	10,223,600	Established in 1926 as part of the Muskegon School District, the college became a distinct entity in 1963, with the college's voting district comprising all of Muskegon County. In addition to its 111-acre main campus in Muskegon, the college also offers courses in Fremont, Grand Haven, Coopersville and the Holland Satellite Center.
Funding Source(s): Restricted 10,223,600		
North Central Michigan College	4,011,000	Established in 1958, the college's voting district comprises all of Emmet County. The college's main campus is located in Petoskey, with courses also offered at sites in Cheboygan and Gaylord.
Funding Source(s): Restricted 4,011,000		
Northwestern Michigan College	10,650,300	Established in 1951, the college is located on a 100-acre campus east of downtown Traverse City between east and west Grand Traverse Bay. The college's voting district comprises all of Grand Traverse County. The college also offers courses at its University Center, and the Aero Park Campus, which houses the college's aviation, workforce development, and trade and technical programs. The college offers a bachelor's degree in maritime technology through its Great Lakes Maritime Academy, located at the college's Great Lakes Campus on the west bay.
Funding Source(s): Restricted 10,650,300		
Oakland Community College	24,755,900	Established in 1964, the college's voting district overlaps the district for Oakland Schools (the ISD), and encompasses more than 28 public school districts in the Oakland County area. The college's central administrative offices are located in Bloomfield Hills. The college maintains five campuses: Auburn Hills, Highland Lakes (Waterford), Orchard Ridge (Farmington Hills), Royal Oak, and Southfield.
Funding Source(s): Restricted 24,755,900		
Schoolcraft College	14,742,500	Established in 1962, the college's voting district comprises the school districts of Clarenceville, Garden City, Livonia, Plymouth-Canton, and Northville. The college's main campus is located in Livonia, as is a separate public safety training complex and a manufacturing and engineering center.
Funding Source(s): Restricted 14,742,500		

Southwestern Michigan College	7,695,500	Established in 1964, the college's voting district comprises all of Cass County and Keeler and Hamilton townships in Van Buren County. The college's 240-acre main campus in Dowagiac includes three on-campus housing buildings. The college also maintains a campus in Niles.
Funding Source(s): Restricted 7,695,500		
St. Clair County Community College	8,226,400	Established in 1923 by the Port Huron Board of Education, the college separated from the public school district in 1967, with the establishment of a county-wide community college district. The college's 25-acre main campus is located in downtown Port Huron. The college also offers classes at an off-campus center in Peck.
Funding Source(s): Restricted 8,226,400		
Washtenaw Community College	15,938,200	Established in 1965, the college's main 285-acre campus is located in Ann Arbor Charter Township. The college also offers courses at off-campus site in Ypsilanti.
Funding Source(s): Restricted 15,938,200		
Wayne County Community College	19,197,900	Established in 1967, the college's voting district comprises all of Wayne County except Dearborn, Dearborn Heights (partially), Garden City, Highland Park, Livonia, Northville, Plymouth, and Canton Township (partially). The college maintains five campuses, including three campuses in Detroit, and campuses in Belleville (Ted Scott Campus) and Taylor (Downriver Campus). The college's central administration is located at its downtown Detroit campus. The downriver campus houses the Michigan Institute for Public Safety Education.
Funding Source(s): Restricted 19,197,900		
West Shore Community College	2,865,600	Established in 1967, the college's voting district comprises all of Mason County and Manistee County, and parts of Lake, Newaygo, and Oceana counties. The college's 360-acre main campus is located in Mason County's Victory Township, near Scottville and Ludington. The college's Manistee County Education Center, near Manistee, was developed in partnership with the West Shore Medical Center.
Funding Source(s): Restricted 2,865,600		
GROSS APPROPRIATION	\$357,961,900	Total of all applicable line item appropriations.
State School Aid Fund	357,961,900	Restricted fund established under Article 4, Section 11 of the State Constitution. The SAF may be used to provide funding to school districts, higher education (colleges and universities), and school employees' retirement.
STATE GENERAL FUND/ GENERAL PURPOSE	\$0	Unrestricted state revenue from taxes and other sources.

SECTIONS 201(4), (5), and (6): MPSERS AND RENAISSANCE ZONE PAYMENTS

In addition to base funding for operations, the Community Colleges budget contains four other types of payments to colleges: three related to retirement costs and one for reimbursement of tax revenues lost due to renaissance zones.

MPSERS Offset Sec. 201(4)(a)	\$7,189,000	Payments to community colleges for the purpose of offsetting a portion of the contributions owed to the Michigan Public School Employees' Retirement System (MPSERS) by colleges. The amount allocated to each college is in proportion to its percentage of total covered payroll in the immediately preceding fiscal year, as provided in section 207a.
		Funding Source(s): Restricted 7,189,000
<i>Related Boilerplate Section(s): 207, 207a</i>		
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MPSERS Normal Cost Offset Sec. 201(4)(b)	23,000,000	Payments to community colleges for the purpose of offsetting a portion of the normal cost contribution rate owed to MPSERS by colleges due to lowering the assumed rate of return from 6.8% to 6.0%.
		Funding Source(s): Restricted 23,000,000
<i>Related Boilerplate Section(s): 207, 207a</i>		
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MPSERS State Share of Unfunded Actuarial Accrued Liability (UAAL) Stabilization Payment Sec. 201(5)	105,800,000	Payments to community colleges to make up the difference between the contribution rate needed to meet the MPSERS unfunded actuarial accrued liability and the employer contribution cap of 20.96% of payroll set by amendments (2012 PA 300) to the Public School Employees Retirement Act. The amount allocated to each college is in proportion to its percentage of total covered payroll in the immediately preceding fiscal year, as provided in section 207b.
		Funding Source(s): Restricted 105,800,000
<i>Related Boilerplate Section(s): 207, 207b</i>		
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Renaissance Zone Reimbursements Sec. 201(6)	2,200,000	Payments to community colleges for tax revenue lost in the prior fiscal year as a result of property tax exemptions under the Michigan Renaissance Zone Act. The amount allocated to each college is in proportion to its percentage of the total revenue lost by community colleges in 2022, as provided by section 207c.
		Funding Source(s): Restricted 2,200,000
<i>Related Boilerplate Section(s): 207c</i>		
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GROSS APPROPRIATION	\$138,189,000	Total of all applicable line item appropriations.
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State School Aid Fund	138,189,000	Restricted fund established under Article 4, Section 11 of the State Constitution. The SAF may be used to provide funding to school districts, higher education (colleges and universities), and school employees' retirement.
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STATE GENERAL FUND/ GENERAL PURPOSE	\$0	Unrestricted state revenue from taxes and other sources.
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SECTIONS 201(7), (8), (9), (10) and (11): VARIOUS PROGRAM APPROPRIATIONS

The FY 2023-24 Community Colleges budget contains appropriations for new programs that are mostly one-time appropriations in nature to address educational, institutional infrastructure, and workforce development needs.

Career and Education Navigators for Adult Learners Sec. 201(7)	\$5,000,000	One-time funding for career and education navigators for adult learners. Community colleges must partner with county governments to apply for grants through the Office of Sixty by 30 to supplement or create career and education navigators that focus on adult learners.
		Funding Source(s): Restricted 5,000,000
<i>Related Boilerplate Section(s): None</i>		
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Michigan Reconnect Entry Point Program Sec. 201(8)	5,000,000	One-time funding for the Michigan Reconnect Entry Point Program. Community colleges must partner with county governments to apply for grants through the Office of Sixty by 30 to engage applicants who have been approved for Michigan Reconnect program funding but have not enrolled in an eligible program.
		Funding Source(s): Restricted 5,000,000
<i>Related Boilerplate Section(s): None</i>		
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Infrastructure, Technology, Equipment, Maintenance, and Safety Sec. 201(9)	32,836,600	One-time funding for Infrastructure, Technology, Equipment, Maintenance, and Safety (ITEMS), which allows community colleges to repair, improve, or maintain existing buildings, facilities, equipment, technological and physical infrastructure, student housing, and school safety measures. Community colleges that receive a Capital Outlay project authorization by December 15, 2023 will not be eligible to receive ITEMS funding. Individual community college allocations will be distributed based on calculated FY 2021-22 fiscal year equated student (FYES) enrollment and will not be distributed until January 2024.
		Funding Source(s): Restricted 32,836,600
<i>Related Boilerplate Section(s): 216c</i>		
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Critical Incident Mapping Sec. 201(10)	5,000,000	One-time grant funding for critical incident mapping at community college campuses. The distribution of funds will be proportional to each community college's FY 2023-24 operations funding.
		Funding Source(s): Restricted 5,000,000
<i>Related Boilerplate Section(s): None</i>		
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Kalamazoo Valley Community College Workforce Development Projects Sec. 201(11)	530,000	Funding for Kalamazoo Valley Community College for curriculum development in electric vehicle battery installation and repair, electric vehicle charger installation and residential and community scale solar panels installation and repair.
		Funding Source(s): Restricted 530,000
<i>Related Boilerplate Section(s): None</i>		
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GROSS APPROPRIATION	\$48,366,600	Total of all applicable line item appropriations.
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State School Aid Fund	48,366,600	Restricted fund established under Article 4, Section 11 of the State Constitution. The SAF may be used to provide funding to school districts, higher education (colleges and universities), and school employees' retirement.
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**STATE GENERAL FUND/
GENERAL PURPOSE**

\$0 Unrestricted state revenue from taxes and other sources.

BOILERPLATE SECTION INFORMATION

NOTE: Boilerplate sections with no changes from current law do not appear in budget bill but remain in compiled School Aid Act and apply to FY 2023-24 appropriations.

Sec. 202. Management and Budget Act

Subjects appropriations to the Management and Budget Act, 1984 PA 431.

Sec. 202a. Definitions

Defines various terms.

Sec. 203. Use of Internet for Reporting Requirements

Requires community colleges, the Workforce Development Agency, and the Center for Educational Performance and Information (CEPI) to use the Internet to fulfill reporting requirements.

Sec. 204. Buy American/Buy Michigan Goods and Services

Prohibits the use of funds to purchase foreign goods or services if American products that are competitively priced and of similar quality are available; states preference for Michigan goods and services. States preference for goods and services provided by Michigan businesses owned and operated by veterans.

Sec. 205. Ordering From Businesses in Deprived and Depressed Communities

Encourages community colleges to ensure businesses in economically distressed areas compete for and perform contracts for services and/or supplies.

Sec. 206. Appropriations Payment Schedule and Reporting Requirements

Provides for payment of appropriations in 11 installments per year to community colleges to be paid on the 16th of each month, with the exception of MPSERS normal cost payments which will be distributed quarterly on the 16th.

Sec. 207. Michigan Public School Employees' Retirement System (MPSERS) Retirement Contributions

Conditions receipt of appropriations on a community college's payment of the employer's contributions to MPSERS, and forbids a college from contributing to more than one retirement fund providing benefits for an employee.

Sec. 207a. MPSERS Offset Appropriation

Specifies the purpose and allocation method for the MPSERS offset. Funds to be allocated based on prior year covered payroll, while normal cost offset funds are based on the college's quarterly payroll in the current fiscal year, and to be used solely for offsetting a portion of the retirement contributions owed by the receiving college.

Sec. 207b. MPSERS State Share of Unfunded Actuarial Accrued Liability (UAAL) Appropriation

Specifies the purpose and allocation method for the state's share of community colleges' UAAL payment to MPSERS. Funds to be allocated based on prior year covered payroll and to be used for paying the difference between the contribution rate needed to meet the total UAAL to the system and the 20.96% employer cap set by statute.

Sec. 207c. Renaissance Zone Reimbursements

Specifies the purpose and allocation method for the Renaissance Zone reimbursements. Available funds to be allocated based on each affected college's proportion of total revenue lost in the prior fiscal year as a result of property exemptions under the Michigan Renaissance Zone Act.

Sec. 210. Collaboration With Four-Year Universities, Local Employers, and Each Other

Encourages community colleges to collaborate with four-year universities, particularly in areas of training, instruction, and program articulation. Also encourages community colleges to collaborate with local employers and each other to identify local employment needs; encourages community colleges to work with universities to develop equivalency standards.

Sec. 210b. Community Colleges and Universities Transfer Agreement Reporting

Requires the Michigan Community College Association and the Michigan Association of State Universities to submit a progress report on the implementation of the Michigan Transfer Agreement, the progress on increasing participation of transfer pathways, and various other transfer requirements between community colleges and state universities.

Sec. 210d. Reverse Transfer Agreements

Urges community colleges to work with public universities to increase the number of students awarded community college credentials as a result of "reverse transfer" of credits for university coursework to a community college.

BOILERPLATE SECTION INFORMATION

Sec. 212. Cost Containment and Efficiency Initiatives

Encourages community colleges to evaluate and pursue efficiency and cost-containment measures, including joint ventures, consolidating services, program collaboration, increasing web-based instruction, improving energy efficiency, eliminating low-volume/high-cost instructional programs, self-insurance, and group purchasing.

Sec. 216c. Infrastructure, Technology, Equipment, Maintenance, and Safety (ITEMS) Appropriation Detail

Details infrastructure, technology, equipment, maintenance, safety and housing repayment categories that ITEMS funding could be used for by community colleges. Specifies that only community colleges that do not receive a Capital Outlay planning or construction authorization between January 1, 2023 and December 15, 2023 are eligible for ITEMS funding. Stipulates that distribution of funding is based on FY 2021-22 calculated FYES headcount and lump-sum payments will be distributed in January 2024.

Sec. 217. Michigan Community College Data Inventory Reporting Requirements; MCCDI Advisory Committee

Requires CEPI to establish, maintain, and coordinate the MCCDI (formerly the Activities Classification Structure or ACS) database of community college data. Requires CEPI to compile the Demographic Enrollment Profile report and performance metrics to support the performance funding formula. Creates within CEPI an interagency advisory committee to review the MCCDI report, data, definitions, processes, and other items as needed.

Sec. 217a. Community College Annual Reporting Requirements

Requires each community college to submit Michigan Community College Data Inventory (MCCDI) data, tuition and fee information, longitudinal data system data, degree and certificate award data, and annual independent audits as required by the first business day of November or have monthly payments withheld. Also requires each community college to post specified information on their websites, including: annual operating budgets, general fund revenue and expenditure projections, a listing of debt service obligations, collective bargaining agreements, health care benefits plans, audits and financial reports, a financial aid website created by the Department of Treasury, and a map of the community college's district boundaries. Community colleges must provide a link to the required information on their homepages using a standardized icon. Requires colleges to develop a "campus safety information and resources" webpage, which must be linked and displayed on their home webpage, and must display various safety information and policies. Colleges must submit their annual Title IX report on student sexual misconduct to the Community Colleges appropriations subcommittees, the fiscal agencies, and the state budget director, and certify compliance with various Title IX policies.

Sec. 217b. Community College Tuition and Fee Restraint and Annual Rate Report

Requires community colleges to report tuition and fee rates, the annual cost of tuition and fees for a 30 credit course load, and tuition and fee increases from the prior year to CEPI by the last business day of August; details tuition restraint requirements in order to receive performance funding for FY 2023-24; and requires community colleges to limit in-district tuition and fee increases to 4.5% or \$205, whichever is greater. Defines the term "fee" to include the cost of any charges paid by more than half of all resident students. Defines the term "tuition and fee rate" to be the average cost charged to the majority of students for the 2 semesters with the highest amount of full-time equated students during an academic year. Specifies community colleges that violate the tuition restraint cap may have their appropriation adjusted.

Sec. 219. Reporting to the P-20 Longitudinal Data System

Requires each community college to provide to CEPI by October 15 its P-20 longitudinal data system data for the preceding academic year, and the numbers and types of associate degrees and other certificates awarded. CEPI will use the data to inform interested high schools and the public of the aggregate academic status of their students.

Sec. 220. Auditor General Performance Audits

Explicitly authorizes performance audits by the auditor general and requires audited colleges to report audit responses to the legislature, the fiscal agencies, the auditor general and the state budget director.

Sec. 221. Community College Record Retention

Requires community colleges to retain class summaries, class lists, registration documents, student transcripts, and other specified information for audit purposes.

Sec. 222. Community College Annual Financial Audit and Reporting

Requires community colleges to submit audited financial statements to CEPI before November 15. CEPI will then provide the information to various state agencies.

BOILERPLATE SECTION INFORMATION

Sec. 223. North American Indian Tuition Waiver Reporting Requirements

Requires community colleges and tribal colleges receiving North American Indian tuition waiver funding to report to the Department of Civil Rights on the number of North American Indian tuition waiver applications received and approved, the number and monetary value of the waivers, the number of North American Indian students who receive a waiver, the number of students with waivers who withdrew from school, and the number of students with waivers who transferred to a 4-year institution or completed a degree or certificate program.

Sec. 226e. Post-Secondary Degree, Certification or Credential Obtainment Goal

Sets a goal of 60% of Michigan residents achieving a post-secondary credential, certification or degree by 2030.

Sec. 228. Communication with the Legislature

Forbids a community college from taking disciplinary action against an employee for communicating with the legislature.

Sec. 229. Veterans and Active Soldiers Notice on Applications, Tuition and Fee Rates, and College Credit Opportunities

States each community college is expected to include in its application for admission a specific question as to whether the applicant is a current or former member of the armed forces. Urges colleges to work with various organizations to review the issue of in-district tuition for veterans. States that each community college is expected to provide reasonable programming and scheduling accommodations for military duties or training obligations. Community colleges are expected to provide college level equivalent credit examination opportunities for veterans and active members of the armed forces and inform applicants about college credits for training or service while in the military.

Sec. 229a. State Building Authority Rent Payments

Itemizes estimated amounts of community college-related state building authority rent payments, totaling \$33.1 million, which are appropriated in the budget for the Department of Technology, Management, and Budget.

Sec. 230. Performance Formula Detail, Local Strategic Value Categories, Tuition and Fee Restraint, and Formula Workgroup

States the formula by which the amount available for performance funding (which is the amount of the annual increase in funding for community college operations) is allocated: 30% proportionate to prior-year base appropriations, 30% based on contact-hour-equated students weighted for health and technology/industrial fields, 10% based on performance completion improvement, 10% based on performance completion number, 10% based on performance completion rate, 5% based on administrative costs, 5% based on meeting certain requirements reflective of providing strategic value to the local community. Lists requirements for the local strategic value categories. States that community colleges must participate and submit semi-annual updates to the Michigan Transfer Network to receive performance funding payments.

Sec. 296. [Article IV] School Aid Funding Proration

Provides for community college appropriation amounts funded from School Aid Fund revenue to be reduced (along with K-12 and university 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.

Enacting Section 2. Repealer Section

Repeals sections 209, 209a, 215, and 226a, which were reporting requirements consolidated into section 217a, 210h, which detailed COVID-19 vaccination exemption requirements, 216, which detailed language concerning the Michigan Reconnect Program Short-term Training grants, 216a, which detailed language concerning the Community College Academic Catch-up Program, 216b, which detailed language concerning the Michigan ADN to BSN Completion Grant program, 224 and 226, which was a reporting requirement consolidated into section 219, 225, which was consolidated into section 217b, 226b, which required reporting on COVID-19 related federal funding, 226d, which required reporting on policies related to free and open speech, 226g, which required policies around first amendment activities and political speech, 227, and 227a, which required policies around college level equivalent credit examinations and accelerated degree completion pathways.



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Auditor General	Viola Bay Wild
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	Edith Best; Holly Kuhn; Josh Roesner; Alex Stegbauer
Capital Outlay	Perry Zielak
Civil Rights.....	Michael Clossen
Community Colleges.....	Perry Zielak
Corrections	Robin R. Risko
Economic and Revenue Forecasting	Benjamin Gielczyk; Jim Stansell
Education (Department)	Noel Benson
Environment, Great Lakes, and Energy	Austin Scott
Executive Office	Viola Bay Wild
Fiscal Oversight, Audit, and Litigation	Mary Ann Cleary
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Medicaid, Physical and Behavioral Health	Kevin Koorstra
Public Assistance, Field Operations, Medicaid-backup.....	Kent Dell
Higher Education.....	Perry Zielak
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Judiciary.....	Robin R. Risko
Labor and Economic Opportunity	Viola Bay Wild
Legislature	Viola Bay Wild
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Natural Resources Trust Fund.....	Austin Scott
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