

APPROPRIATION LINE ITEM AND BOILERPLATE HISTORY

**HIGHER EDUCATION
PART 1: LINE ITEM DETAIL**
**2020 PA 165
FY 2020-21
Initial**
Article III, Sec. 236 (1). APPROPRIATION SUMMARY

1. <u>Classified Full-Time Equated (FTE) positions</u> - All positions in State service unless exempted by Article XI, Section 5 of the Michigan Constitution. One FTE position equals 2,088 hours.	N/A
2. <u>GROSS APPROPRIATION</u> - Total appropriations	\$1,699,925,400
3. <u>Interdepartmental grants (IDG)</u> - Funds that are also appropriated in other budgets. These funds are categorized as IDGs in the department that spends the funds and are therefore subtracted from the Gross Appropriation to avoid double counting total statewide appropriations.	0
4. <u>ADJUSTED GROSS APPROPRIATION</u> - Gross appropriations less IDGs.	1,699,925,400
5. <u>Federal revenue</u> - Funding allocated to the state by the Federal government.	126,026,400
6. <u>Local revenue</u> - Funds paid by local units of government that support State services and programs.	0
7. <u>Private revenue</u> - Available appropriated funds from private sources, including funding from non-governmental agencies.	0
8. <u>State restricted revenue</u> - Revenue earmarked for a specific purpose by the State Constitution, statute, or appropriation bill. Restricted revenue also includes general fund/special purpose funds, such as fee revenue used to support licensing programs. In the Higher Education budget, the only State restricted revenue currently appropriated is from the School Aid Fund.	356,063,300
9. <u>State general fund/general purpose</u> - Revenue that has no constitutional or statutory restrictions on how it is used. Approximately 90% of general fund/general purpose (GF/GP) revenue is derived from the income, single business, insurance, sales, and use taxes.	1,217,835,700
10. <u>Payments to locals</u> - State appropriations from GF/GP or State restricted revenues that will be allocated to local units of government.	0

Article VIII of the Michigan Constitution of 1963 grants to the governing board of each public four-year university the "general supervision of its institution and the control and direction of all expenditures from the institution's funds." There have been court cases on the issue of university autonomy, and this constitutional provision has been viewed as superseding legislative or statutory authority. The annual Higher Education appropriation bill includes an operations line item for each of the 15 public universities and the funds are generally expended as determined by each university's governing board.

The appropriation for each university is divided into three parts: Operations, Performance Funding, and North American Indian Tuition Waiver. Funding for operations represents the base amount received by each university, calculated by adding the previous year's operations amount to the previous year's performance funding. Performance funding is the amount each university receives under the performance funding formula established in Section 265a. North American Indian tuition waiver payments were included as a new item in FY 2019-20, and provide a payment to each university based on their prior-year costs for tuition waived under Public Act 174 of 1976.

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Sec. 236 (2). UNIVERSITY OPERATIONS

a. CENTRAL MICHIGAN UNIVERSITY

- | | | | |
|----|---|--|-------------------|
| 1. | <u>Operations</u> | | 87,600,000 |
| | | Mount Pleasant, Michigan | |
| | | President: Dr. Robert O. Davies, September 1, 2018 to present | |
| | | Established in 1892, Central Michigan University (CMU) is among the nation's 100 largest public universities with 20,000 students on its Mount Pleasant campus and another 7,200 enrolled online and at more than 50 locations across North America. CMU offers more than 200 academic programs at the undergraduate, master, specialist and doctoral levels, with a focus on key areas of emerging interest. CMU has established the nation's 137th College of Medicine to address a growing shortage of primary care physicians in Michigan. CMU land spans more than 1,750 acres across Michigan, including the biological station on Beaver Island, Neithercut Woodland, and Viet's Woods, as well as 871 acres on the University's main campus, which includes 110 buildings, of which 26 are academic. In addition to CMU's main campus in Mount Pleasant, CMU has centers in Atlanta and Washington, D.C., as well as eight in metro Detroit, and locations in East Lansing, Flint, Grand Rapids, Saginaw and Petoskey. | |
| 2. | <u>Performance Funding</u> | | 0 |
| 3. | <u>North American Indian Tuition Waiver</u> | | 1,964,500 |
| | Unit Gross Appropriation | | 89,564,500 |

b. EASTERN MICHIGAN UNIVERSITY

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|----|----------------------------|--|------------|
| 1. | <u>Operations</u> | | 77,253,700 |
| | | Ypsilanti, MI | |
| | | President: Dr. James M. Smith, July 2016 to present | |
| | | Eastern Michigan University (EMU) was founded in 1849 as Michigan State Normal School, the first in Michigan. In 1899, it became the Michigan State Normal College when it created the first four-year curriculum for a normal college in the nation. It became Eastern Michigan College in 1956, and finally Eastern Michigan University in 1959. Education, Arts and Sciences, and the Graduate School were the first three colleges that emerged within the new university. Several major expansions followed shortly afterward, including the addition of the College of Business in 1964, the College of Health and Human Services in 1975, and the College of Technology in 1980. More recently, EMU has launched numerous community-focused institutes, including the Autism Collaborative Center, the Institute for the Study of Children, Families, and Communities, and the Center for Entrepreneurship. The University recently earned the Carnegie Foundation designation for exceptional community engagement. The University, which has more than 300 majors, minors and concentrations, is also strategically expanding course options to include a variety of on-line, alternate format and corporate-focused programs. Eastern operates a regional center in Detroit, an environmental education center in Lapeer and offers courses in Traverse City. The main campus in Ypsilanti includes more than 800 acres, with 122 buildings. | |
| 2. | <u>Performance Funding</u> | | 0 |

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3.	<u>North American Indian Tuition Waiver</u>	301,500
	Unit Gross Appropriation	77,555,200
c. FERRIS STATE UNIVERSITY		55,025,500
1.	<u>Operations</u> Big Rapids, Michigan President: Dr. David L. Eisler, July 2003 to present Founded in 1884 by Woodbridge and Helen Gillespie Ferris. Ferris State University (FSU) offers over 190 degrees at the associate, bachelor's, master's, first professional, and doctoral levels. FSU partners with community colleges throughout Michigan to provide access to a variety of certificate and degree programs. FSU's central campus in Big Rapids is comprised of approximately 107 buildings on 941 acres. FSU provides instruction at community college campuses throughout Michigan including Alpena, Ann Arbor, Auburn Hills, Benton Harbor, Clinton Township, Dowagiac, Flint, Gaylord, Grand Rapids, Harper Woods, Howell, Jackson, Kalamazoo, Lansing, Livonia, Midland/Bay City/Saginaw, Muskegon, Petoskey, Port Huron, Scottville, Sidney, Traverse City, and Warren, in addition to the Kendall College of Art and Design in Grand Rapids, and online.	
2.	<u>Performance Funding</u>	0
3.	<u>North American Indian Tuition Waiver</u>	908,800
	Unit Gross Appropriation	55,934,300
d. GRAND VALLEY STATE UNIVERSITY		
1.	<u>Operations</u> President: Dr. Philomena V. Mantella, July 2006 to present Grand Valley State University (GVSU) was founded in 1960 to bring a public university to the State's second largest metropolitan area. From its 1,100-acre main campus in Allendale, and from campuses in Grand Rapids and Holland, Grand Valley offers more than 200 areas of undergraduate and graduate study with special emphases on the liberal arts, health professions, engineering, and business. Grand Valley is a partner in the university centers at the community colleges in Muskegon and Traverse City, where it also offers graduate degrees. It operates an outreach center in Detroit and centers for water research and business incubation in Muskegon.	72,313,500
2.	<u>Performance Funding</u>	0
3.	<u>North American Indian Tuition Waiver</u>	1,177,200
	Unit Gross Appropriation	73,490,700
e. LAKE SUPERIOR STATE UNIVERSITY		13,307,000
1.	<u>Operations</u> Sault Ste. Marie, Michigan President: Dr. Rodney Hanley, June 1, 2018 to present Lake Superior State University, founded in 1946, is an independent regional public university serving the Upper Peninsula and Northern Lower Michigan. LSSU offers professional programs in the fisheries and wildlife management, engineering and engineering technology (robotics), criminal justice, nursing, business, the sciences and more. LSSU has regional centers in Escanaba and Petoskey, along with 21 public school academies throughout the State. Positioned on the U.S.-Canadian border and overlooking the St. Mary's River and Soo	

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Locks, LSSU is on the 115-acre site of what was formerly the U.S. Army's Fort Brady. LSSU operates an aquatic research laboratory to help support the State's \$4.0 billion sport fishing industry, as well as a product development center that is helping small businesses throughout the State, Smart Zone 9 (in conjunction with the City of Sault Ste. Marie), and an environmental analysis laboratory that takes in water quality and other environmental projects from the Midwest and beyond. In addition, LSSU has programs in a number of areas, including the only accredited environmental health bachelor's degree program in the State, and a fire science program. The university which was originally opened as a branch campus of today's Michigan Technological University to serve GIs returning from World War II has grown over the years to offer a wide array of programs for students.

2.	<u>Performance Funding</u>	0
3.	<u>North American Indian Tuition Waiver</u>	945,100
4.	<u>One-Time Passthrough Payment to Bay Mills Tribal College</u>	1,000,000
	Unit Gross Appropriation	15,252,100

f. MICHIGAN STATE UNIVERSITY

1.	<u>Operations</u> East Lansing, Michigan President: Dr. Samuel L. Stanley, August 1, 2019 to present Founded in 1855, Michigan State University (MSU) was the prototype for 69 land-grant institutions established under the Morrill Act of 1862 and the first institution of higher learning in the United States to teach scientific agriculture. The university provides more than 200 programs of undergraduate, graduate, and professional study. MSU includes a 5,200-acre campus with 2,100 acres in existing or planned development, 545 buildings, including 103 with instructional space, and 21,185 acres throughout Michigan.	287,331,700
2.	<u>Performance Funding</u>	0
3.	<u>North American Indian Tuition Waiver</u>	1,604,000
4.	<u>MSU AgBioResearch</u> As Michigan's designated land-grant university, MSU operates MSU AgBioResearch. AgBioResearch performs agricultural research to promote efficient production, marketing, distribution, and use of farm products. AgBioResearch receives funds from the Federal government under the Hatch Act, as well as State appropriations and local and private revenue. Examples of research conducted include quality and yield-related properties of dry beans, production of leaner, low-fat meat products, and plant biotechnology. AgBioResearch and MSU Extension Services are partners with MSU in both Project GREEN (Generating Research and Extension to meet Economic and Environmental Needs) and the animal health diagnostic laboratory.	34,937,300
5.	<u>MSU Extension</u> As Michigan's designated land-grant university, MSU operates MSU Extension. The purpose of the MSU Extension Services is to identify and solve farm, home, and community problems through the practical application of Federal and State research findings. MSU Extension Services receives funds from the Federal government under the Smith-Lever Act and the Food and Agriculture Act, as well as State appropriations and local and private revenue. MSU Extension Services operates Michigan's Expanded Food and Nutrition Education Program (EFNEP), serves as a resource for youth 4-H programs, and provides information on family financial planning.	30,136,100
	Unit Gross Appropriation	354,009,100

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g. MICHIGAN TECHNOLOGICAL UNIVERSITY

1.	<u>Operations</u>	Houghton, Michigan President: Dr. Richard J. Koubek, July 1, 2018 to present Michigan Technological University was founded in 1885 as the Michigan Mining School, specializing in training for mining engineers. Subsequently, Michigan Tech has grown into a public technological research university. About 86% of Michigan Tech graduates have STEM-related (science, technology, engineering, and math) degrees, and a placement rate of 87% to 97% depending on the condition of the State and national economies. Michigan Tech includes a 925-acre main campus along with the Ford Center which is a 4,579-acre facility for research and education pursuant to the overall mission of the School of Forest Resources and Environmental Science, and 22 major research agencies including the Michigan Tech Research Institute in Ann Arbor and Keweenaw Research Center in Calumet.	50,101,600
2.	<u>Performance Funding</u>		0
3.	<u>North American Indian Tuition Waiver</u>		693,600
	Unit Gross Appropriation		50,795,200

h. NORTHERN MICHIGAN UNIVERSITY

1.	<u>Operations</u>	Marquette, Michigan President: Dr. Fritz Erickson, July 2014 to present Founded in 1899, Northern Michigan University (NMU) was the State's eighth public institution of higher education and the third of its four regional normal schools. It is the largest of the Upper Peninsula's colleges and universities. NMU is one of three Michigan universities to also serve a community college function, providing programs from the diploma and certificate level to the doctoral degree level. (Northern began offering its first doctoral program - Doctorate of Nursing Practice - in 2014.) Northern includes a 684-acre campus, 64 buildings, including 13 with instructional space. It has two nationally recognized leadership programs, the latter which enrolls nearly a third of the student body, and is one of 240 universities nationwide to receive the Carnegie Commission on Higher Education's "community-engaged university" classification. Northern is also a U.S. Olympic Training Site for Greco-Roman wrestling and weightlifting. NMU has offered off-campus/on-site instruction at sites throughout the Upper Peninsula and northern Lower Peninsula based on geographic program demands, as well as instructional television (ITV), hybrid and online courses and training that have regional, State and national reach.	47,809,100
2.	<u>Performance Funding</u>		0
3.	<u>North American Indian Tuition Waiver</u>		1,060,600
	Unit Gross Appropriation		48,869,700

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i) OAKLAND UNIVERSITY

1.	<u>Operations</u>		53,147,400
		Rochester, Michigan	
		President: Dr. Ora Hirsch Pescovitz, MD, July 1, 2017 to present	
		Founded in 1957 as Michigan State University-Oakland, the institution was renamed Oakland University in 1963 and was granted autonomy by the Michigan Legislature in 1970. Oakland is situated on a 1,443-acre campus with over 50 major buildings, including the Human Health Building and Engineering Center. With a mission to be a preeminent metropolitan university that is recognized as a student-centered, doctoral research institution with a global perspective. The University is home to more than 19,333 students and offers 142 undergraduate and more than 137 graduate programs, including the recent addition of a Master of Science degree in Cybersecurity. A medical degree is offered through the Oakland University William Beaumont School of Medicine.	
2.	<u>Performance Funding</u>		0
3.	<u>North American Indian Tuition Waiver</u>		266,100
	Unit Gross Appropriation		53,413,500

j. SAGINAW VALLEY STATE UNIVERSITY

1.	<u>Operations</u>		30,583,800
		University Center, Michigan	
		President: Dr. Donald Bachand, February 2014 to present	
		Saginaw Valley State University (SVSU) is a baccalaureate- and master-level university offering more than 70 undergraduate programs of study, 14 masters' degree programs and a Doctor of Nursing Practice. Founded in 1963, SVSU is the youngest of Michigan's public universities with more than 9,800 students currently enrolled. Situated on a 756-acre campus, SVSU is located in the heart of the Great Lakes Bay Region (Bay City, Midland and Saginaw). SVSU features a quality learning environment that emphasizes personal attention (average class size: 21) and modern facilities. In addition to its main campus, SVSU offers graduate programs in education at its Macomb regional education center Chesterfield Township,	
2.	<u>Performance Funding</u>		0
3.	<u>North American Indian Tuition Waiver</u>		219,500
	Unit Gross Appropriation		30,803,300

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k. UNIVERSITY OF MICHIGAN-ANN ARBOR

1.	<u>Operations</u>		321,970,100
	Ann Arbor, MI		
	President: Dr. Mark Schlissel, July 2014 to present		
	In 1817, the University of Michigan (U-M) was established in Detroit and became the first public university in the Northwest Territories. In 1837, the University relocated to Ann Arbor. Since then, U-M has been a national and international model of a diverse and comprehensive public institution of higher learning that supports excellence in research, education and service. Today the Ann Arbor campus and medical center totals 3,153 acres, with 519 major buildings, and 2,380 family and single graduate housing units. The University's \$1.3 billion in research volume makes it the nation's leading public institution in research expenditure. Nearly 42,000 students are enrolled in graduate, professional, and undergraduate programs in 19 schools and colleges.		
2.	<u>Performance Funding</u>		0
3.	<u>North American Indian Tuition Waiver</u>		961,000
	Unit Gross Appropriation		322,931,100

l. UNIVERSITY OF MICHIGAN-DEARBORN

1.	<u>Operations</u>		26,167,000
	Dearborn, Michigan		
	Chancellor: Dr. Domenico Grasso, August 1, 2018 to present		
	Founded in 1959 with a gift of just over 200 acres of land and \$6.5 million from the Ford Motor Company, University of Michigan-Dearborn is a metropolitan university serving southeastern Michigan. The university has more than 9,300 students pursuing more than 100 bachelors', masters', doctoral and professional degrees in liberal arts and sciences, engineering, business, education, and health and human services. The campus includes 29 buildings. The university maintains a 300 acre environmental studies area, one of the largest natural areas in metropolitan Detroit, serving as a research and educational resource for the campus and the region.		
2.	<u>Performance Funding</u>		0
3.	<u>North American Indian Tuition Waiver</u>		167,800
	Unit Gross Appropriation		26,334,800

m. UNIVERSITY OF MICHIGAN-FLINT

1.	<u>Operations</u>		23,616,200
	Flint, Michigan		
	Chancellor: Dr. Debasish Dutta, August 2014 to present		
	In 1944 the Flint Board of Education requested that a University of Michigan Extension Office open in Flint. Cooperation between the community and the University of Michigan brought about the opening of a two-year senior college (located on the land now occupied by Mott Community College) in 1956 known as the Flint College, which offered baccalaureate degree programs in the liberal arts and sciences and in the professional fields of education and business administration. In 1970, the North Central Association of Colleges and Schools accredited the Flint College. In 1971, the Regents officially changed the name of the institution to the University of Michigan-Flint. Today, UM-Flint offers classes at its modern, 76-acre downtown campus, as well as courses and degrees at Alpena		

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Community College, Mott Community College, Lansing Community College, St. Clair County Community College, and Wayne County Community College District. The University consists of the College of Arts and Sciences, the School of Management, the School of Health Professions and Studies, and the School of Education and Human Services. Home to the University of Michigan's Physical Therapy doctoral program, UM-Flint has focused on health sciences in recent years, including the creation of the Urban Health and Wellness Center, as well as partnering with the Genesee Intermediate School District to establish the Genesee Early College. The Genesee Early College allows high school students with interests in the health sciences to pursue their high school diploma as well as earn college credits concurrently, preparing them for work in the diverse field of health.

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| 2. | <u>Performance Funding</u> | 0 |
| 3. | <u>North American Indian Tuition Waiver</u> | 348,200 |
| | Unit Gross Appropriation | 23,964,400 |

n. WAYNE STATE UNIVERSITY

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| 1. | <u>Operations</u> | 202,996,700 |
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Detroit, Michigan

President: Dr. M. Roy Wilson, July 2013 to present

The beginnings of Wayne State University (WSU) date back to 1868 when a medical college was founded at Detroit's Harper Hospital. In 1917, a junior college was created. Along with four other schools -- education, engineering, pharmacy, and a graduate school -- these units would come to be called Wayne State University. Wayne State University offers more than 350 academic programs through 13 schools and colleges to more than 27,000 students. The campus features 203 acres located in the heart of the resurgent Midtown neighborhood of downtown Detroit.

Today, Wayne State University is one of the nation's pre-eminent public research institutions in an urban setting. Through its multidisciplinary approach to research and education, and its ongoing collaboration with government, industry and other institutions, the university seeks to enhance economic growth and improve the quality of life in the city of Detroit, the state of Michigan and throughout the world.

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| 2. | <u>Performance Funding</u> | 0 |
| 3. | <u>North American Indian Tuition Waiver</u> | 462,200 |
| | Unit Gross Appropriation | 203,458,900 |

o. WESTERN MICHIGAN UNIVERSITY

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| 1. | <u>Operations</u> | 111,522,200 |
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Kalamazoo, Michigan

President: Dr. Edward B. Montgomery, August 1, 2017 to present

Founded in 1903. Western Michigan University (WMU) is classified by the Carnegie Foundation for the Advancement of Teaching as an institution with high research activity and it is home to one of the nation's oldest collegiate honors programs. The WMU Homer Stryker, MD School of Medicine is the newest medical school in Michigan preparing physicians to serve the State. The University's affiliation with Cooley Law School is the most recent addition to the university's portfolio of professional programs. Among the diverse areas for which WMU enjoys an international reputation for research and teaching are atomic physics, aviation, blindness and low vision studies, geosciences, evaluation,

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integrated supply management, food and consumer marketing, graph theory, and medieval studies. The campus encompasses more than 1,200 acres and 151 buildings. Western also has self-sustaining extended university programs that are delivered online, at several locations across the state of Michigan and in Florida.

2.	<u>Performance Funding</u>	0
3.	<u>North American Indian Tuition Waiver</u>	841,700
	Unit Gross Appropriation	112,363,900

Sec. 236 (3). UNIVERSITY OPERATIONS FUNDING SOURCES

A.	<u>State School Aid Fund</u>	343,168,300
B.	<u>State General Fund/General Purpose Money</u>	1,195,572,400

Sec. 236 (4). MPSERS REIMBURSEMENT

A.	<u>MPSERS Retiree Health Care Cost Increase</u>	11,695,000
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First appropriated in FY 2012-13 at \$446,200 School Aid Fund (SAF) in FY 2012-13 to partially offset increases in retiree health care costs. In FY 2013-14 the appropriation was increased by \$2.0 million GF/GP. The FY 2014-15 budget included \$2,446,200 SAF in ongoing appropriations for MPSERS reimbursements. (\$2.0 million GF/GP originally included in this appropriation was replaced by SAF in an FY 2014-15 supplemental, 2015 PA 5.) The FY 2014-15 budget also included \$4,002,200 SAF in one-time funding to partially offset unfunded actuarial accrued liability (UAAL) payments. The FY 2015-16 budget increased ongoing appropriations from \$2,446,200 to \$5,160,000, supported entirely by the SAF. The FY 2016-17 budget increased funding by \$730,000, to \$5,890,000. FY 2017-18 net adjustments related to decreasing the assumed rate of return, changing the assumed payroll growth rate, and offsetting savings related to cost experience totaled \$815,000 resulting in a total appropriation of \$6,705,000. Net adjustments in FY 2018-19 included a reduction of 1,572,000, followed by a further reduction in FY 2019-20 of \$116,000, resulting in a total appropriation of \$5,017,000. In FY 2020-21, the amount was increased by \$6.7 million due to a reduction in the assumed long-term rate of return on MPSERS funds.

The Public School Employees Retirement Act was amended by Public Act 136 of 2016 to implement an employer's cap on contributions for MPSERS UAAL payments (25.73% of payroll). This is similar to the cap that was implemented for K-12 and community college employers. The cap is based on FY 2011-12 UAAL payments by MPSERS universities. The affected universities include Central, Eastern, Ferris, Lake Superior, Michigan Tech, Northern, and Western. Payments by the State for the cap will increase from \$5.2 million in FY 2015-16 to an estimated \$10.3 million in FY 2035-36. Over that time period, the cost to the State is estimated at \$156.1 million.

Total Appropriation	11,695,000
Appropriated from:	
<u>State School Aid Fund</u>	11,695,000
<u>State General Fund/General Purpose Money</u>	0

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Sec. 236 (5). STATE AND REGIONAL PROGRAMS

a.	<u>Higher Education Database Modernization and Conversion</u>	200,000
	This funding provides support for the maintenance of the Higher Education Institutional Data Inventory (HEIDI) and the Integrated Postsecondary Education Data System (IPEDS). HEIDI is the State's database for enrollment, expenditure, and degree information for Michigan's 15 public universities; IPEDS is the postsecondary education data collection program in the U.S. Department of Education's National Center for Education Statistics and currently collects information from more than 10,000 public and private, two-year and four-year, postsecondary institutions. This funding in the Higher Education bill pays for 1.0 FTE in the Michigan Department of Technology, Management, and Budget, as well as any necessary software and hardware, to coordinate the collection and reporting regarding these two databases. Funding was increased from \$105,000 to \$200,000 in FY 2014-15 based on support requirements for the HEIDI database.	
b.	<u>Midwestern Higher Education Compact</u>	115,000
	Public Act 195 of 1990 allowed Michigan to join the Midwestern Higher Education Compact whose purpose is to provide greater Higher Education opportunities and services in the Midwestern region. The 12-member states of the Compact are: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin. Each member state appoints five commissioners to the Compact's governing body. The work of the Compact is financed through member state dues and foundation grants. This appropriation in the Higher Education bill is Michigan's annual dues payment. Examples of Compact projects are the Midwest Student Exchange Program, the Distributed Learning Workshop, distance education agreements between states, and collaborations on computing, insurance, and telecommunications issues.	
	Total Appropriation	315,000
	Appropriated from:	
	<u>State General Fund/General Purpose</u>	315,000

Sec. 236 (6). MARTIN LUTHER KING, JR.-CESAR CHAVEZ-ROSA PARKS PROGRAMS

There are six King-Chavez-Parks programs; three of the programs are appropriated within each of the 15 public university Operations line items that are listed in preceding Sections 102 through 116. The programs included in the Operations line items are: College Day (students in grades 6-11 visit campuses), Future Faculty Fellowship (stipends for economically disadvantaged graduate students pursuing teaching careers), and Visiting Professors (payments for underrepresented professors to visit and lecture on campuses). The other three programs are appropriated in this unit as grants that are competitively bid and for which both public and independent colleges and universities are eligible.

A.	<u>Select Student Supportive Services (4S)</u>	1,956,100
	Grants for developing academically and economically disadvantaged student retention programs.	
B.	<u>Michigan College/University Partnership</u>	586,800
	Grants to increase the number of academically and economically disadvantaged students who transfer from community colleges into baccalaureate programs.	
C.	<u>Morris Hood, Jr. Educator Development Program</u>	148,600
	Grants to increase the number of economically disadvantaged students who enroll in and complete K-12 teacher education programs at the baccalaureate level.	

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Unit Gross Appropriation

2,691,500

Appropriated from:

State General Fund/General Purpose

2,691,500

Sec. 236 (7). GRANTS AND FINANCIAL AID

a. State Competitive Scholarships 29,861,700

Public Act 208 of 1964 created these scholarships; undergraduate students at Michigan two-year and four-year, public and private, institutions are eligible for up to 10 semesters (graduate students are eligible if funds are sufficient) if they have financial need and a qualifying ACT score. See Section 251 for program criteria.

b. Tuition Grants 42,021,500

Public Act 313 of 1966 established these grants; undergraduate students at Michigan two-year and four-year private institutions are eligible for up to 10 semesters, if they have financial need. See Section 252 for program criteria.

c. Tuition Incentive Program (TIP) 68,800,000

TIP provides an incentive to students to complete high school and go on to college by pledging to pay their tuition and fees for associate degree or certificate programs, as well as up to \$2,000 at a four-year institution, if they complete high school. Students in grades 6 through 12 who are Medicaid-eligible for 24 months can qualify for TIP. The program is funded entirely by TANF.

d. Children of Veterans and Officer's Survivor Tuition Grant Programs 1,400,000

This appropriation funds two programs.

Public Act 248 of 2005 repealed a program that had been established in 1935 and replaced it with tuition grants for children of Michigan veterans who either died or were permanently disabled. An undergraduate student at a Michigan two-year or four-year, public or private, institution is eligible for up to four academic years if the student maintains a 2.25 cumulative grade point average. The grants are funded from a State income tax check-off and the General Fund. The annual grant maximum for a full-time student is \$2,800 and for a part-time student is \$1,400.

Public Act 195 of 1996 (Police Officer's and Fire Fighter's Survivor Tuition Act) provides for a waiver of tuition at State public institutions of higher education for children and surviving spouses of Michigan police officers and fire fighters killed in the line of duty. The Act requires the State to annually reimburse each State institution of higher education for the total amount of tuition waived during the immediately preceding fiscal year.

In previous years, the programs were funded by \$100,000 from an income tax check-off and \$1,300,000 GF/GP. Beginning in FY 2019-20 the program was funded entirely from GF/GP, as the income tax check-off no longer generated enough revenue to appear on the State income tax form.

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e.	<u>Project Gear-up</u>		3,200,000
		<p>Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) projects are aimed at increasing the enrollment of disadvantaged students in postsecondary education. This discretionary grant program is designed to increase the number of low-income students who are prepared to enter and succeed in postsecondary education. GEAR-UP provides six-year grants to states and partnerships to provide services at high-poverty middle and high schools. Grantees serve an entire cohort of students beginning no later than the seventh grade and follow the cohort through high school. GEAR UP funds are also used to provide college scholarships to low-income students. The program is funded entirely by Federal Funds.</p>	
f.	<u>North American Indian Tuition Waiver</u>		0
		<p>Public Act 174 of 1976 provides for free tuition for Michigan resident North American Indians who attend Michigan public community colleges, universities, and certain Federal tribally controlled community colleges. State appropriations in university operation budgets have not kept pace with actual costs. In FY 2016-17, universities absorbed \$6.5 million of waiver costs. The FY 2017-18 budget added a separate appropriation of \$300,000 GF/GP to partially offset the shortfall. The separate appropriation was continued in FY 2018-19, but discontinued in FY 2019-20 as ITW funds sufficient to fully-reimburse universities for their prior-year costs were included in each institution's appropriation.</p>	
	Unit Gross Appropriation		145,283,200
	Appropriated from:		
	<u>Federal: United States Department of Education, Office of Elementary and Secondary Education, Gear-up</u>		3,200,000
	Federal share of funding for Gear-up discretionary grant program.		
	<u>Social Security Act, Temporary Assistance for Needy Families (TANF)</u>		122,826,400
	Under the welfare reform legislation of 1996, (the Personal Responsibility and Work Opportunity Reconciliation Act – PWRORA – Public Law 104-193), TANF replaced the welfare programs known as Aid to Families with Dependent Children (AFDC), the Job Opportunities and Basic Skills Training (JOBS) program and the Emergency Assistance (EA) program. The law ended Federal entitlement to assistance and instead created TANF as a block grant that provides States, territories and tribes federal funds each year. These funds cover benefits, administrative expenses, and services targeted to needy families. TANF became effective July 1, 1997, and was reauthorized in February 2006 under the Deficit Reduction Act of 2005. Use of TANF funding for financial aid helps to maximize the State's federally mandated maintenance of effort expenditures for TANF services.		
	<u>State General Fund/General Purpose</u>		19,256,800

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9. ONE-TIME APPROPRIATION

<u>MPSERS Normal Cost Offset</u>	1,200,000
<p>The FY 2017-18 budget included a one-time increase of \$419,000 SAF due to decreasing the assumed rate of return for the normal cost offset (from 8.0% to 7.5%). The FY 2018-19 budget increased this appropriation by \$250,000, resulting in a total appropriation of \$669,000. The FY 2019-20 budget increased this by \$565,000 to reflect a further reduction in the assumed rate of return to 7.05%. This amount was reduced by another \$32,000 for FY 2020-21.</p>	
Unit Gross Appropriation	1,200,000
Appropriated from:	
<u>School Aid Fund</u>	1,200,000
<u>State General Fund/General Purpose</u>	0

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236b **Contingency Fund Appropriations.** In addition to the funds appropriated in section 236, there is appropriated for grants and financial aid in fiscal year 2020-2021 an amount not to exceed \$6,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393, for another purpose under this article.

Background: This section was first included in FY 2012-13. The language is consistent with contingency fund authorization for most State departments.

236c **State Building Authority Rent.** In addition to the funds appropriated for fiscal year 2020-2021 in section 236, appropriations to the department of technology, management, and budget in the act providing general appropriations for fiscal year 2020-2021 for state building authority rent, totaling an estimated \$145,848,500.00 provide funding for the state share of costs for previously constructed capital projects for state universities. These appropriations for state building authority rent represent additional state general fund support provided to public universities, and the following is an estimate of the amount of that support to each university:

- (a) Central Michigan University, \$13,078,900.00
- (b) Eastern Michigan University, \$7,074,300.00
- (c) Ferris State University, \$7,939,200.00
- (d) Grand Valley State University, \$7,229,800.00
- (e) Lake Superior State University, \$1,805,200.00
- (f) Michigan State University, \$15,199,500.00
- (g) Michigan Technological University, \$6,805,300.00
- (h) Northern Michigan University, \$7,334,200.00
- (i) Oakland University, \$12,708,600.00
- (j) Saginaw Valley State University, \$7,907,100.00
- (k) University of Michigan - Ann Arbor, \$9,644,100.00
- (l) University of Michigan - Dearborn, \$11,106,100.00
- (m) University of Michigan - Flint, \$6,413,000.00
- (n) Wayne State University, \$16,610,900.00
- (o) Western Michigan University, \$14,989,300.00

Background: Lists amounts appropriated in the General Government Appropriation bill for debt service costs on previously authorized capital outlay construction projects for universities.

First included in FY 2012-13 to recognize State appropriations for universities contained in other appropriation bills.

237 **Management and Budget Act.** All of the appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Background: This is a standard section contained in all appropriation bills. An earlier version of this section dates back to FY 1981-82. The former section provided that appropriations were subject to Act 18 of 1981. Act 18 was repealed by 1984 PA 431.

237b **Workforce Development Agency.** As used in this article, "center" means the center for educational performance and information created in section 94a.

Background: This section was first included in FY 2012-13.

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| 238 | <p><u>Internet Reports.</u> Unless otherwise specified, a public university receiving appropriations in section 236 shall use the internet to fulfill the reporting requirements of this article. This requirement includes transmission of reports via electronic mail to the recipients identified for each reporting requirement and placement of reports on an internet site.</p> <p>Background: First included in appropriation bills in FY 1999-2000. Currently a standard section in most budgets.</p> |
| 239 | <p><u>Buy American Intent Language.</u> A public university shall not use funds appropriated in section 236 for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods and services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable value. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans if they are competitively priced and of comparable quality.</p> <p>Background: A version of this language was first included in FY 1992-93. This is a standard boilerplate section in most appropriation bills.</p> |
| 241 (1) | <p><u>Payment Schedule.</u> (1) Subject to sections 244 and 265a, the funds appropriated in section 236 to public universities shall be paid out of the state treasury and distributed by the state treasurer to the respective institutions in 11 equal monthly installments on the sixteenth of each month, or the next succeeding business day, beginning with October 16, 2020. Except for Wayne State University, each institution shall accrue its July and August 2021 payments to its institutional fiscal year ending June 30, 2021.</p> <p>Background: Over the years, changes in the payment schedule have been used to implement payment delays and accounting adjustments that allowed the State to save GF/GP dollars. In FY 1991-92, payments to the universities were changed from 12 monthly installments from October through September, to nine monthly installments from October through June. In FY 1999-2000, payments to the universities were changed from nine equal monthly installments from October through June, to the current 11 equal monthly payments from October through August.</p> |
| 241 (2) | <p><u>Higher Education Institutional Data Inventory (HEIDI) Data Submission.</u> (2) All public universities shall submit higher education institutional data inventory (HEIDI) data and associated financial and program information requested by and in a manner prescribed by the state budget director. For public universities with fiscal years ending June 30, these data shall be submitted to the state budget director by November 15 for fiscal year 2020-2021 and October 15 of each fiscal year thereafter. Public universities with a fiscal year ending September 30, 2020 shall submit preliminary HEIDI data by November 15, 2020 and final data by December 15, 2020. If a public university fails to submit HEIDI data and associated financial aid program information in accordance with this reporting schedule, the state treasurer may withhold the monthly installments under subsection (1) to the public university until those data are submitted.</p> <p>Background: The HEIDI database has been in existence in some form since the early 1970s and was subsequently converted to a web-based system that allows universities to submit their data electronically.</p> |
| 242 | <p><u>Federal and Private Funds.</u> Funds received by the state from the federal government or private sources for the use of a college or university are appropriated for the purposes for which they are provided.</p> <p>Background: Clarifies that Federal and private funds are appropriated for the purposes for which they were intended, and appropriation of the funds does not obligate the Legislature to continue the programs. This section dates back to the 1970s.</p> |

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243 **Program and Financial Information.** Each public university that receives funds under this article shall furnish all program and financial information that is required by and in a manner prescribed by the state budget director or the house or senate appropriations committee.

Background: Longstanding compliance section.

244 **P-20 Education Longitudinal Data System.** By October 15 of each year, a public university receiving funds in section 236 shall provide its longitudinal data system data set for the preceding academic year to the center for inclusion in the statewide P-20 longitudinal data system described in section 94a. If the state budget director finds that a university has not complied with this section, the state budget director is authorized to withhold the monthly installments provided to that university under section 241 until he or she finds the university has complied with this section.

Background: A form of this section was first included in FY 2009-10. Until FY 2012-13 it stated a public university receiving funds in part 1 shall cooperate with all measures taken by the State to establish a statewide P-20 education longitudinal data system to comply with the State fiscal stabilization fund provisions of the American recovery and reinvestment act of 2009, Public Law 111-5.

245 **Financial Transparency.** (1) A public university shall maintain a public transparency website available through a link on its website homepage. The public university shall update this website within 30 days after the university's governing board adopts its annual operating budget for the next academic year, or after the governing board adopts a subsequent revision to that budget.

(2) The website required under subsection (1) shall include all of the following concerning the public university:

(a) The annual operating budget and subsequent budget revisions.

(b) A summary of current expenditures for the most recent fiscal year for which they are available, expressed as pie charts in the following 2 categories:

(i) A chart of personnel expenditures, broken into the following subcategories:

(A) Earnings and wages.

(B) Employee benefit costs, including, but not limited to, medical, dental, vision, life, disability, and long-term care benefits.

(C) Retirement benefit costs.

(D) All other personnel costs.

(ii) A chart of all current expenditures the public university reported as part of its higher education institutional data inventory data under section 241(2), broken into the same subcategories in which it reported those data.

(c) Links to all of the following for the public university:

(i) The current collective bargaining agreement for each bargaining unit.

(ii) Each health care benefits plan, including, but not limited to, medical, dental, vision, disability, long-term care, or any other type of benefits that would constitute health care services, offered to any bargaining unit or employee of the public university.

(iii) Audits and financial reports for the most recent fiscal year for which they are available.

(d) A list of all positions funded partially or wholly through institutional general fund revenue that includes the position title and annual salary or wage amount for each position.

(e) General fund revenue and expenditure projections for the current fiscal year and the next fiscal year.

(f) A listing of all debt service obligations, detailed by project, anticipated fiscal year payment for each project, and total outstanding debt for the current fiscal year.

(g) The institution's policy regarding the transferability of core college courses between community colleges and the university.

(h) A listing of all community colleges that have entered into reverse transfer agreements with the university.

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(3) On the website required under subsection (1), a public university shall provide a dashboard or report card demonstrating the university's performance in several "best practice" measures. The dashboard or report card shall include at least all of the following for the 3 most recent academic years for which the data are available:

- (a) Enrollment.
- (b) Student retention rate.
- (c) Six-year graduation rates.
- (d) Number of Pell grant recipients and graduating Pell grant recipients.
- (e) Geographic origination of students, categorized as in-state, out-of-state, and international.
- (f) Faculty to student ratios and total university employee to student ratios.
- (g) Teaching load by faculty classification.
- (h) Graduation outcome rates, including employment and continuing education.

(4) For statewide consistency and public visibility, public universities must use the icon badge provided by the department of technology, management, and budget consistent with the icon badge developed by the department of education for K-12 school districts. It must appear on the front of each public university's homepage. The size of the icon may be reduced to 150 x 150 pixels. The font size and style for this reporting must be consistent with other documents on each university's website.

(5) The state budget director shall determine whether a public university has complied with this section. The state budget director may withhold a public university's monthly installments described in section 241 until the public university complies with this section.

(6) By the first business day of November of each year, a public university shall post the following information on its website under the budget transparency icon badge:

- (a) Opportunities for earning college credit through the following programs:
 - (i) State approved career and technical education or a tech prep articulated program of study.
 - (ii) Direct college credit or concurrent enrollment.
 - (iii) Dual enrollment.
 - (iv) An early college/middle college program.

(b) For each program described in subdivision (a) that the public university offers, all of the following information:

- (i) The number of high school students participating in the program.
- (ii) The number of school districts that participate in the program with the public university.
- (iii) Whether a university professor, qualified local school district employee, or other individual teaches the course or courses in the program.
- (iv) The total cost to the public university to operate the program.
- (v) The cost per credit hour for the course or courses in the program.
- (vi) The location where the course or courses in the program are held.
- (vii) Instructional resources offered to the program instructors.
- (viii) Resources offered to the student in the program.
- (ix) Transportation services provided to students in the program.

(7) A public university shall collect and report the number and percentage of all enrolled students who complete the Free Application for Federal Student Aid, broken out by undergraduate and graduate/professional classifications, to the center and post the information on its website under the budget transparency icon badge.

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Background: A version of this section was first included in FY 2010-11. In FY 2012-13 more detailed reporting and withholding of state aid payments for noncompliance was added. Additional reporting requirements were added in subsequent years. The requirement of including the name of the employee for salary information was eliminated in FY 2013-14. Subsection 6 was added in FY 2014-15. In FY 2018-19, the campus safety and crime statistics information was transferred to the new "Campus Safety Information and Resources" section (245a). Subsection 7 was added in FY 2019-20, and requires universities to report the number and percentage of students who fill out the FAFSA.

245a **Campus Safety Information and Resources.** (1) A public university shall develop, maintain, and update a "campus safety information and resources" link, prominently displayed on the homepage of its website, to a section of its website containing all of the information required under subsection (2).

(2) The "campus safety information and resources" section of a public university's website shall include, but not be limited to, all of the following information:

(a) Emergency contact numbers for police, fire, health, and other services.

(b) Hours, locations, phone numbers, and electronic mail contacts for campus public safety offices and title IX offices.

(c) A listing of safety and security services provided by the university, including transportation, escort services, building surveillance, anonymous tip lines, and other available security services.

(d) A public university's policies applicable to minors on university property.

(e) A directory of resources available at the university or surrounding community for students or employees who are survivors of sexual assault or sexual abuse.

(f) An electronic copy of "A Resource Handbook for Campus Sexual Assault Survivors, Friends and Family", published in 2018.

(g) Campus security policies and crime statistics pursuant to the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381. Information shall include all material prepared pursuant to the public information reporting requirements under the crime awareness and campus security act of 1990, title II of the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381.

(3) A public university shall certify to the state budget director by October 1, 2020 that it is in compliance with this section. The state budget director may withhold a public university's monthly installments described in section 241 until the public university complies with this section.

Background. First included in FY 2018-19. All requirements are new with the exception of (2) (g) which was previously included in Sec. 245. In FY 2019-20 certain deadlines were changed to account for the timing of the passage of the State budget.

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- 246 **MPSERS Reimbursement.** (1) All of the following apply to the allocation of the appropriations described in section 236(4) for payments to universities that are participating entities of the Michigan public school employees' retirement system:
- (a) The funds appropriated in section 236(4) for Michigan public school employees' retirement system reimbursement shall be allocated to each participating public university under this section based on each participating public university's percentage of the total combined payrolls of the universities' employees who are members of the retirement system and who were hired before January 1, 1996 and the universities' employees who would have been members of the retirement system on or after January 1, 1996, but for the enactment of 1995 PA 272 for all public universities that are participating public universities for the immediately preceding state fiscal year.
- (b) The amount of a payment under section 236(4) shall be equal to the difference between the unfunded actuarial accrued liability contribution rate for university reporting units as calculated under section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as calculated without taking into account the maximum employer rate of 25.73% included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum employer rate for university reporting units of 25.73% under section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341. Payments shall be made in a form and manner determined by the office of retirement services.
- (c) A public university that receives money under section 236(4) shall use that money solely for the purpose of retirement contributions. Each participating university that receives funds under section 236(4) shall forward an amount equal to the amount received under section 236(4) to the Michigan public school employees' retirement system in a form and manner determined by the office of retirement services.
- (2) As used in this section, "participating public university" means a public university that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that pays contributions to the Michigan public school employees' retirement system for the state fiscal year.
- Background:** Universities with MPSERS employees include; Central, Eastern, Ferris, Lake Superior, Michigan Tech, Northern, and Western. The appropriation was first included in FY 2012-13. Beginning in FY 2014-15, the distribution for healthcare was changed from being based on health care premiums paid, to being a percentage of combined payroll on a pre funded basis. In FY 2015-16 the funding allocation was changed to one based on a rate cap (25.73% of payroll) on the employer's share of UAAL costs. The Public School Employees Retirement Act was amended by Public Act 136 of 2016 to implement an employer's cap on contributions for MPSERS UAAL payments.
- 249 **Children of Veterans and Officer's Survivor Tuition Grant Programs.** (1) The funds appropriated in section 236 for the children of veterans and officer's survivor tuition grant programs shall be supported with revenue from the restricted account created in section 5 of the children of veterans tuition grant act, 2005 PA 248, MCL 390.1345. As provided in section 5 of the children of veterans tuition grant act, 2005 PA 248, MCL 390.1345, unexpended funds remaining in the restricted account at the end of the fiscal year shall not lapse to the general fund.
- (2) The general fund/general purpose funds appropriated in section 236 for the children of veterans and officer's survivor tuition grant programs shall be deposited into the restricted account described in subsection (1), as required in section 5 of the children of veterans tuition grant act, 2005 PA 248, MCL 390.1345.94
- (3) Funds deposited into the restricted account under subsection (2) for the children of veterans and officer's survivor tuition grant programs are appropriated and available for allocation as required in the children of veterans tuition grant act, 2005 PA 248, MCL 390.1341 to 390.1346.
- Background:** First included in FY 2017-18 for the purpose of making administration of programs consistent with enabling statutes.

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250 **Financial Aid Requirement.** To be considered eligible for any scholarship or grant financial aid program administered by the department of treasury, the student must file the Free Application for Federal Student Aid (FAFSA) annually.

Background: First included in FY 2017-18.

251 **State Competitive Scholarship Program.** (1) Payments of the amounts included in section 236 for the state competitive scholarship program shall be distributed pursuant to 1964 PA 208, MCL 390.971 to 390.981.

(2) Pursuant to section 6 of 1964 PA 208, MCL 390.976, the department of treasury shall determine an actual state competitive scholarship award per student, which shall be \$1,000.00, that ensures that the aggregate payments for the state competitive scholarship program do not exceed the appropriation contained in section 236 for the state competitive scholarship program. If the department determines that insufficient funds are available to establish an award amount equal to \$1,000.00, the department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the estimated amount of additional funds necessary to establish a \$1,000.00 award amount.

(3) The department of treasury shall implement a proportional competitive scholarship award level for recipients enrolled less than full-time in a given semester or term.

(4) If a student who receives an award under this section has his or her tuition and fees paid under the Michigan educational trust program, pursuant to the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442, and still has financial need, the funds awarded under this section may be used for educational expenses other than tuition and fees.

(5) If the department of treasury increases the award per eligible student from that provided in the previous fiscal year, it shall not have the effect of reducing the number of eligible students receiving awards in relation to the total number of eligible applicants. Any increase in the grant shall be proportional for all eligible students receiving awards.

(6) Veterans Administration benefits shall not be considered in determining eligibility for the award of scholarships under 1964 PA 208, MCL 390.971 to 390.981.

Background: Provides criteria for competitive scholarship program. Revised beginning in FY 2010-11 to reduce minimum award based on available funding and require the Department of Treasury to determine if there are sufficient funds available to fund the program. Requires Treasury to notify the Legislature and State Budget Office regarding funding shortage. In FY 2017-18 the minimum-maximum grant award increased from \$575 to \$1,000 and carry-forward authority was added. Removed carryforward language in FY 2019-20.

252 **Tuition Grants.** (1) The amounts appropriated in section 236 for the state tuition grant program shall be distributed pursuant to 1966 PA 313, MCL 390.991 to 390.997a.

(2) Tuition grant awards shall be made to all eligible Michigan residents enrolled in undergraduate degree programs who are qualified and who apply by March 1 of each year for the next academic year.

(3) Pursuant to section 5 of 1966 PA 313, MCL 390.995, and subject to subsections (6) and (7), the department of treasury shall determine an actual tuition grant award per student, which shall be \$2,800.00, that ensures that the aggregate payments for the tuition grant program do not exceed the appropriation contained in section 236 for the state tuition grant program. If the department determines that insufficient funds are available to establish an award amount equal to \$2,800.00, the department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the estimated amount of additional funds necessary to establish a \$2,800.00 award amount. If the department determines that sufficient funds are available to establish an award amount equal to \$2,800.00, the department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies,

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and the state budget director regarding the award amount established and the projected amount of any projected year-end appropriation balance based on that award amount. By February 18 of each fiscal year, the department shall analyze the status of award commitments, shall make any necessary adjustments, and shall confirm that those award commitments will not exceed the appropriation contained in section 236 for the tuition grant program. The determination and actions shall be reported to the state budget director and the house and senate fiscal agencies no later than the final day of February of each year. If award adjustments are necessary, the students shall be notified of the adjustment by March 4 of each year.

(4) The department of treasury shall continue a proportional tuition grant award level for recipients enrolled less than full-time in a given semester or term.

(5) If the department of treasury increases the award per eligible student from that provided in the previous fiscal year, it shall not have the effect of reducing the number of eligible students receiving awards in relation to the total number of eligible applicants. Any increase in the grant shall be proportional for all eligible students receiving awards for that fiscal year.

(6) The department of treasury shall not award more than \$4,800,000.00 in tuition grants to eligible students enrolled in the same independent nonprofit college or university in this state. Any decrease in the grant shall be proportional for all eligible students enrolled in that college or university, as determined by the department. The limit described in this subsection does not apply to any other student financial aid program or in combination with any other student financial aid program.

(7) The department of treasury shall not award tuition grants to otherwise eligible students enrolled in an independent college or university that does not report, in a form and manner directed by and satisfactory to the department of treasury, by October 31 of each year, all of the following:

(a) The number of students in the most recently completed academic year who in any academic year received a state tuition grant at the reporting institution and successfully completed a program or graduated.

(b) The number of students in the most recently completed academic year who in any academic year received a state tuition grant at the reporting institution and took a remedial education class.

(c) The number of students in the most recently completed academic year who in any academic year received a Pell grant at the reporting institution and successfully completed a program or graduated.

(8) By February 1 of each year, each independent college and university participating in the tuition grant program shall report to the senate and house appropriations subcommittees on higher education, the senate and house fiscal agencies, and the state budget director on its efforts to develop and implement sexual assault response training for the institution's title IX coordinator, campus law enforcement personnel, campus public safety personnel, and any other campus personnel charged with responding to on-campus incidents, including information on sexual assault response training materials and the status of implementing sexual assault response training for institutional personnel.

Background: Provides criteria for State tuition grant program. Revised in FY 2009-10 to cap payments to students at any one institution to a maximum of \$3.0 million and restricted the program to undergraduates. The cap in per institution was increased from \$3.0 million to \$3.2 million in FY 2014-15, \$3.5 million in FY 2017-18, and \$4.2 million in FY 2018-19. Language limiting the cap to just funds from the Tuition Grant appropriation was added in FY 2018-19. Reporting requirement contained in subsection 3 added in FY 2012-13. Additional reporting requirements were added in FY 2014-15. In FY 2017-18 the minimum-maximum grant award was increased from \$1,512 to \$2,000 and a new 10-year limit on grant eligibility (beginning in FY 2018-19) was added. In FY 2018-19 the 10-year grant eligibility limit was removed, and the minimum-maximum grant award was increased from \$2,000 to \$2,400. In FY 2019-20, carryforward language was removed and the maximum grant award was increased from \$2,400 to \$2,800.

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- 253 **Independent College Audits.** The auditor general may audit selected enrollments, degrees, and awards at selected independent colleges and universities receiving awards that are administered by the department of treasury. The audits shall be based upon definitions and requirements established by the department of treasury, the state budget director, and the senate and house fiscal agencies. The auditor general shall accept the Free Application for Federal Student Aid (FAFSA) form as the standard of residency documentation.
- Background:** Longstanding oversight provision.
- 254 **Student Financial Aid Payments.** The sums appropriated in section 236 for the state competitive scholarship, tuition incentive, and tuition grant programs shall be paid out of the state treasury and shall be distributed to the respective institutions under a quarterly payment system as follows:
- (a) For the state competitive scholarship and tuition grant programs, 50% shall be paid at the beginning of the state's first fiscal quarter, 30% during the state's second fiscal quarter, 10% during the state's third fiscal quarter, and 10% during the state's fourth fiscal quarter.
- (b) For the tuition incentive program, 65% shall be paid at the beginning of the state's first fiscal quarter, and 35% during the state's second fiscal quarter.
- Background:** Distribution schedule adjusted in FY 2012-13, FY 2016-17, and FY 2017-18 to reflect actual timing of grant demand.
- 255 **Needs Analysis Criteria.** The department of treasury shall determine the needs analysis criteria for students to qualify for the state competitive scholarship program and tuition grant program. To be consistent with federal requirements, the department of treasury may take student wages into consideration when determining the amount of the award.
- Background:** Implementation provision.
- 256 **Tuition Incentive Program.** (1) The funds appropriated in section 236 for the tuition incentive program must be distributed as provided in this section and pursuant to the administrative procedures for the tuition incentive program of the department of treasury.
- (2) As used in this section:
- (a) "Phase I" means the first part of the tuition incentive program defined as the academic period of 80 semester or 120 term credits, or less, leading to an associate degree or certificate. Students must be enrolled in a certificate or associate degree program and taking classes within the program of study for a certificate or associate degree. Tuition will not be covered for courses outside of a certificate or associate degree program.
- (b) "Phase II" means the second part of the tuition incentive program that provides assistance in the third and fourth year of 4-year degree programs.
- (c) "Department" means the department of treasury.
- (d) "High school equivalency certificate" means that term as defined in section 4.
- (3) An individual must meet the following basic criteria and financial thresholds to be eligible for tuition incentive program benefits:
- (a) To be eligible for phase I, an individual must meet all of the following criteria:
- (i) Be less than 20 years of age at the time he or she graduates from high school with a diploma or certificate of completion or achieves a high school equivalency certificate or, for students attending a 5-year middle college approved by the Michigan department of education, be less than 21 years of age when he or she graduates from high school.
- (ii) Be a United States citizen and a resident of this state according to institutional criteria.
- (iii) Be at least a half-time student, earning less than 80 semester or 120 term credits at a participating educational institution within 4 years of high school graduation or achievement of a high school equivalency certificate. All program eligibility expires 10 years after initial enrollment at a participating educational institution.
- (iv) Meet the satisfactory academic progress policy of the educational institution he or she attends.

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(b) To be eligible for phase II, an individual must meet either of the following criteria in addition to the criteria in subdivision (a):

(i) Complete at least 56 transferable semester or 84 transferable term credits.

(ii) Obtain an associate degree or certificate at a participating institution.

(c) To be eligible for phase I or phase II, an individual must be financially eligible as determined by the department. An individual is financially eligible for the tuition incentive program if he or she was eligible for Medicaid from this state for 24 months within the 36 consecutive months before application. The department shall accept certification of Medicaid eligibility only from the department of health and human services for the purposes of verifying if a person is Medicaid eligible for 24 months within the 36 consecutive months before application. Certification of eligibility may begin in the sixth grade.

(4) For phase I, the department shall provide payment on behalf of a person eligible under subsection (3). The department shall only accept standard per-credit hour tuition billings and shall reject billings that are excessive or outside the guidelines for the type of educational institution.

(5) For phase I, all of the following apply:

(a) Payments for associate degree or certificate programs must not be made for more than 80 semester or 120 term credits for any individual student at any participating institution.

(b) For persons enrolled at a Michigan community college, the department shall pay the current in-district tuition and mandatory fees. For persons residing in an area that is not included in any community college district, the out-of-district tuition rate may be authorized.

(c) For persons enrolled at a Michigan public university, the department shall pay lower division resident tuition and mandatory fees for the current year.

(d) For persons enrolled at a Michigan independent, nonprofit degree-granting college or university, or a Michigan federal tribally controlled community college, or Focus: HOPE, the department shall pay mandatory fees for the current year and a per-credit payment that does not exceed the average community college in-district per-credit tuition rate as reported by the last business day of August for the immediately preceding academic year.

(6) A person participating in phase II may be eligible for additional funds not to exceed \$500.00 per semester or \$400.00 per term up to a maximum of \$2,000.00 subject to the following conditions:

(a) Credits are earned in a 4-year program at a Michigan degree-granting 4-year college or university.

(b) The tuition reimbursement is for coursework completed within 30 months of completion of the phase I requirements.

(7) The department shall work closely with participating institutions to provide the highest level of participation and ensure that all requirements of the program are met.

(8) The department shall notify students of their financial eligibility for the program any time after the student begins sixth grade.

(9) Except as otherwise provided in section 3(d) of the Michigan reconnect grant act, 2020 PA 84, MCL 390.1703, and section 17 of the Michigan reconnect grant recipient act, 2020 PA 68, MCL 390.1717, each institution shall ensure that all known available restricted grants for tuition and fees are used prior to billing the tuition incentive program for any portion of a student's tuition and fees.

(10) The department shall ensure that the tuition incentive program is well publicized and that eligible Medicaid clients are provided information on the program. The department shall provide the necessary funding and staff to fully operate the program.

(11) The department of treasury shall collaborate with the center to use the P-20 longitudinal data system to report the following information for each qualified postsecondary institution:

(a) The number of phase I students in the most recently completed academic year who in any academic year received a tuition incentive program award and who successfully completed a degree or certificate program. Cohort graduation rates for phase I students shall be calculated

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using the established success rate methodology developed by the center in collaboration with the postsecondary institutions.

(b) The number of students in the most recently completed academic year who in any academic year received a Pell grant at the reporting institution and who successfully completed a degree or certificate program. Cohort graduation rates for students who received Pell grants must be calculated using the established success rate methodology developed by the center in collaboration with the postsecondary institutions.

(12) Beginning in fiscal year 2020-2021, if a qualified postsecondary institution does not report the data necessary to complete the reporting in subsection (11) to the P-20 longitudinal data system by October 15 for the prior academic year, the department of treasury shall not award phase I tuition incentive program funding to otherwise eligible students enrolled in that institution until the data are submitted.

Background: The Tuition Incentive Program (TIP) is a State-funded financial aid program targeted toward low-income middle school and high school students. It was established in FY 1986-87. There are no statutory provisions for this program. Since FY 2000-01, appropriations for this program have increased from \$5.0 million to \$48.5 million. Since FY 2007-08, the State has funded this program mainly with Federal TANF funds. Funding increases in FY 2013-14 and FY 2014-15 were funded from the State General Fund. Language was modified in FY 2012-13, specifying the Department of Human Services (DHS) as the entity to certify Medicaid eligibility and clarifying that "incarcerated" does not include detention of a juvenile in a State-operated or privately operated juvenile detention facility. In FY 2013-14 the Governor recommended that this section be replaced with separate enabling legislation. The Legislature maintained this section and no separate legislation for the program has been enacted. In FY 2016-17, an \$8.5 million per institution cap was included with implementation in FY 2017-18. In FY 2017-18, language was added stating that beginning in FY 2018-19, students enrolled in public universities will receive mandatory fees and a maximum per credit payment that does not exceed three times the average community college in-district per credit tuition rate for the immediately preceding academic year. In FY 2018-19 cost containment measures (cap per institution and cap on amounts covered for Phase I public university students) were eliminated. In FY 2019-20, the requirement that an applicant not be incarcerated was removed, and the one-year limitation on work projects was removed.

In FY 2020-21 substantial changes were made to the program. Those changes allowed for eligibility for the program to expire 10 years after initial enrollment in a postsecondary program rather than 6 years after high school graduation. The changes also removed the application process, making qualifying students automatically eligible for the program.

257 **Independent Institution Grant Data.** To enable the legislature and the state budget director to evaluate the appropriation needs of higher education, each independent college and university shall make available to the legislature or state budget director, upon request, data regarding grants for the preceding, current, and future fiscal years.

Background: Longstanding oversight provision.

258 **Student Financial Aid Report.** By February 15 of each year, the department of treasury shall post to its publicly available website a report for the preceding fiscal year on all student financial aid programs for which funds are appropriated in section 236. For each student financial aid program, the report shall include, but is not limited to, the total number of awards paid in the preceding fiscal year, the total dollar amount of those awards, and the number of students receiving awards and the total amount of those awards at each eligible postsecondary institution. To the extent information is available, the report shall also include information on household income and other demographic characteristics of students receiving awards under each program and historical information on the number of awards and total award amounts for each program.

Background: Longstanding oversight provision.

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259 **Financial Aid Program Outreach.** It is the intent of the legislature that the Department of Treasury launch an aggressive campaign to inform high school students about the financial aid programs offered by the state and the requirements needed to participate in eligible financial aid programs.

Background: This section was first included in FY 2020-21.

260 **Student Financial Aid Resources.** (1) The department of treasury shall work with student and postsecondary education groups, including the Michigan College Access Network, the Michigan Association of State Universities, the Michigan Community College Association, and the Michigan Independent Colleges and Universities, to provide an online informational resource for prospective and current student loan borrowers. The online informational resource must be a website or a portion of an existing website designed and maintained by the department of treasury that, to the extent practicable, contains information including, but not limited to, all of the following:

(a) A list of public and private community support centers, student debt clinics, and other organizations and their contact information submitted by Michigan College Access Network that provides free information and services for student loan borrowers to help educate them about repayment options and to help them access student loan programs or benefits for which they may be eligible.

(b) Links to state and federal financial aid programs, including FAFSA and College Scorecard.

(c) Benefits of federal student loans that may no longer be available if a borrower refinances a loan.

(d) Links to net price calculators for community colleges receiving an appropriation in section 201 and universities receiving an appropriation in section 236, if available.

(e) A list of loan servicers, including FAFSA.gov for federal loans, and contact information for each and for federally held loans made through the William D. Ford Federal Direct Loan Program and the Federal Family Education Loan Program.

(f) Information on the fundamentals of borrowing and repayment, including, but not limited to, all of the following:

(i) Types of student loans and repayment options, including income-driven repayment, and a listing of employers in this state offering employment eligible for public service loan-forgiveness.

(ii) Deciding how much to borrow.

(iii) Creating a plan for borrowing and repayment.

(iv) Estimating how much borrowing is needed for a given school year.

(v) Evaluating financial aid offers.

(vi) Factors that affect total student loan costs.

(vii) Tips for graduating with less student loan debt.

(viii) A loan payment calculator or a link to a loan payment calculator that can be used for different types of loans.

(ix) Links to federal student loan entrance and exit counseling services and the FACT tool.

(x) Student loan debt relief scams.

(g) A list of student loan providers in this state.

(2) A university receiving an appropriation in section 236 shall place a prominent link to the website created under this section on its website homepage.

(3) Independent colleges and universities in this state are encouraged to place a link to the website created under this section on their website homepages.

Background: This section was first included in FY 2020-21.

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261 **U of M Biological Station.** The University of Michigan biological station at Douglas Lake in Cheboygan County is considered a unique resource and is designated as a special research reserve. It is the intent of the legislature to protect and preserve the unique long-term research value and capabilities of the biological station area and Douglas Lake. The legislature further intends that no state programs or policies be developed that would have a deleterious impact on the research value of Douglas Lake.

Background: Intent statement. In the late 1980s, there was an issue with a proposed Michigan Natural Resources Trust Fund project.

263 **Project GREEN.** (1) Included in the appropriation in section 236 for fiscal year 2020-2021 for MSU AgBioResearch is \$2,982,900.00 and included in the appropriation in section 236 for MSU Extension is \$2,645,200.00 for Project GREEN. Project GREEN is intended to address critical regulatory, food safety, economic, and environmental problems faced by this state's plant-based agriculture, forestry, and processing industries. "GREEN" is an acronym for Generating Research and Extension to Meet Environmental and Economic Needs.

(2) The department of agriculture and rural development and Michigan State University, in consultation with agricultural commodity groups and other interested parties, shall develop Project GREEN and its program priorities.

Background: Earmarking provision regarding Project GREEN. This program was previously in the Department of Agriculture budget.

263a **MSU AgBioResearch Strategic Growth Initiative.** (1) Not later than September 30 of each year, Michigan State University shall submit a report on MSU AgBioResearch and MSU Extension to the house and senate appropriations subcommittees on agriculture and on higher education, the house and senate standing committees on agriculture, the house and senate fiscal agencies, and the state budget director for the preceding academic fiscal year.

(2) The report required under subsection (1) shall include all of the following:

(a) Total funds expended by MSU AgBioResearch and by MSU Extension identified by state, local, private, federal, and university fund sources.

(b) A review of major programs within both MSU AgBioResearch and MSU Extension with specific reference to accomplishments, impacts, and a specific accounting of Project GREEN expenditures and the impact of those expenditures. The program review for MSU AgBioResearch and MSU Extension should include the following:

(i) The number of agriculture and food-related firms collaborating with and using services of research and extension faculty and staff.

(ii) The number of individuals utilizing MSU Extension's educational services.

(iii) External funds generated in support of research and extension.

(iv) Efforts to improve access to healthy foods for Michigan consumers.

Background: Additional language added in FY 2011-12. Updated to include goals and metrics in FY 2012-13. Metrics modified in FY 2017-18. In FY 2019-20 the metrics were removed and the section was substantially rewritten to require a report on the programs rather than to specify metrics for the programs to meet.

264 **Future Farmers of America Association.** Included in the appropriation in section 236 for fiscal year 2020-2021 for Michigan State University is \$80,000.00 for the Michigan Future Farmers of America Association. This \$80,000.00 allocation shall not supplant any existing support that Michigan State University provides to the Michigan Future Farmers of America Association.

Background: Legislative earmarking of funds since FY 2007-08.

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265 **Tuition Restraint.** (1) Payments under section 265a for performance funding for fiscal years 2020-2021, 2021-2022, and 2022-2023 shall only be made to a public university that certifies to the state budget director by October 1, 2020 that its board did not adopt an increase in tuition and fee rates for resident undergraduate students after September 1, 2019 for the 2019-2020 academic year and that its board will not adopt an increase in tuition and fee rates for resident undergraduate students for the 2020-2021 academic year that is greater than 4.25% or \$586.00, whichever is greater. As used in this subsection:

(a) "Fee" means any board-authorized fee that will be paid by more than 1/2 of all resident undergraduate students at least once during their enrollment at a public university, as described in the higher education institutional data inventory (HEIDI) user manual. A university increasing a fee that applies to a specific subset of students or courses shall provide sufficient information to prove that the increase applied to that subset will not cause the increase in the average amount of board-authorized total tuition and fees paid by resident undergraduate students in the 2020-2021 academic year to exceed the limit established in this subsection.

(b) "Tuition and fee rate" means the average of full-time rates paid by a majority of students in each undergraduate class, based on an unweighted average of the rates authorized by the university board and actually charged to students, deducting any uniformly rebated or refunded amounts, for the 2 semesters with the highest levels of full-time equated resident undergraduate enrollment during the academic year, as described in the higher education institutional data inventory (HEIDI) user manual.

(2) The state budget director shall implement uniform reporting requirements to ensure that a public university receiving a payment under section 265a for performance funding has satisfied the tuition restraint requirements of this section. The state budget director shall have the sole authority to determine if a public university has met the requirements of this section. Information reported by a public university to the state budget director under this subsection shall also be reported to the house and senate appropriations subcommittees on higher education and the house and senate fiscal agencies.

(3) Universities that exceed the tuition and fee rate cap described in subsection (1) shall not receive a planning or construction authorization for a state-funded capital outlay project in fiscal years 2021-2022, 2022-2023, or 2023-2024.

(4) Notwithstanding any other provision of this act, the legislature may at any time adjust appropriations for a university that adopts an increase in tuition and fee rates for resident undergraduate students that exceeds the rate cap established in subsection (1).

Background: FY 2011-12 Tuition Restraint Incentive was based on the average of annual statewide changes in tuition and fee rates for academic years 2006-2007 through 2010-2011, as determined by the State Budget Director. No new funds were appropriated for the incentive in FY 2011-12; instead, amounts were withheld from the base as an incentive to limit tuition increases. In FY 2012-13 tuition restraint was based on \$9,054,200 in new funding to be allocated to universities that kept tuition and fee increases at or below 4.0%. Beginning in FY 2013-14, no separate funding was allocated for tuition restraint. Instead, tuition restraint became one of the prerequisites for receiving performance funding.

Tuition Restraint	
FY 2011-12	7.1%
FY 2012-13	4.0%
FY 2013-14	3.75%
FY 2014-15	3.2%
FY 2015-16	3.2%
FY 2016-17	4.2%
FY 2017-18	Greater of 3.8% or \$475
FY 2018-19	Greater of 3.8% or \$490
FY 2019-20	Greater of 4.4% or \$587
FY 2020-21	Greater of 4.25% or \$586

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265a	<p>Additional incentives to limit tuition increases through prohibitions on capital outlay funding and potential future reductions by the Legislature were added in FY 2016-17. In FY 2018-19, the penalty was increased to include performance funding in three fiscal years.</p> <p>Performance Funding. (1) Appropriations to public universities in section 236 for fiscal years 2019-2020, 2020-2021, and 2021-2022 for performance funding shall be paid only to a public university that complies with section 265 and certifies to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies by October 1, 2019 that it complies with all of the following requirements:</p> <p>(a) The university participates in reverse transfer agreements described in section 286 with at least 3 Michigan community colleges.</p> <p>(b) The university does not and will not consider whether dual enrollment credits earned by an incoming student were utilized towards his or her high school graduation requirements when making a determination as to whether those credits may be used by the student toward completion of a university degree or certificate program.</p> <p>(c) The university actively participates in and submits timely updates to the Michigan Transfer Network created as part of the Michigan Association of Collegiate Registrars and Admissions Officers transfer agreement.</p> <p>(2) Any performance funding amounts under section 236 that are not paid to a public university because it did not comply with 1 or more requirements under subsection (1) are unappropriated and reappropriated for performance funding to those public universities that meet the requirements under subsection (1), distributed in proportion to their performance funding appropriation amounts under section 236.</p> <p>(3) The state budget director shall report to the house and senate appropriations subcommittees on higher education and the house and senate fiscal agencies by October 15, 2019, regarding any performance funding amounts that are not paid to a public university because it did not comply with 1 or more requirements under subsection (1) and any reappropriation of funds under subsection (2).</p> <p>(4) Performance funding amounts described in section 236 are distributed based on the following formula:</p> <p>(a) Proportional to each university's share of total operations funding appropriated in fiscal year 2010 2011, 50%.</p> <p>(b) Based on weighted undergraduate completions in critical skills areas, 11.1%.</p> <p>(c) Based on research and development expenditures, for universities classified in Carnegie classifications as doctoral universities: moderate research activity, doctoral universities: higher research activity, or doctoral universities: highest research activity only, 5.6%.</p> <p>(d) Based on 6-year graduation rate, total degree completions, and institutional support as a percentage of core expenditures, and the percentage of students receiving Pell grants, scored against national Carnegie classification peers and weighted by total undergraduate fiscal year equated students, 33.3%.</p> <p>(5) For purposes of determining the score of a university under subsection (4)(d), each university is assigned 1 of the following scores:</p> <p>(a) A university classified as in the top 20%, a score of 3.</p> <p>(b) A university classified as above national median, a score of 2.</p> <p>(c) A university classified as improving, a score of 2. It is the intent of the legislature that, beginning in the 2020-2021 state fiscal year, a university classified as improving is assigned a score of 1.</p> <p>(d) A university that is not included in subdivision (a), (b), or (c), a score of 0.</p> <p>(6) As used in this section, "Carnegie classification" means the basic classification of the university according to the most recent version of the Carnegie classification of institutions of higher education, published by the Carnegie Foundation for the Advancement of Teaching.</p> <p>(7) It is the intent of the legislature to allocate more funding based on an updated set of performance metrics in future years. Updated metrics will be based on the outcome of joint</p>
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hearings between the house and senate appropriations subcommittees on higher education and community colleges intended to be held in the fall of 2019.

Background: First included in FY 2012-13. Modified each year based on the performance funding formula. In FY 2014-15, FY 2016-17, and FY 2017-18 an across-the-board distribution equal to 50.0% of available funds was included in the distribution formula. In FY 2014-15 a Pell grant metric was added to the formula. In FY 2015-16 the Pell grant metric was modified by basing the allocation on the percentage of Pell students at each university. Intent statement regarding allocating more funding based on performance metrics in future years added in FY 2017-18. Penalties increased to include three fiscal years in FY 2018-19. In FY 2019-20 various certification dates were changed to reflect the timing of passage of the budget that year, and intent language to update the metrics was added. The section was not amended for FY 2020-21 as there was no performance funding increase that year.

265b

Sexual Assault Prevention/Title IX Investigation Standards - 10% penalty. (1) Appropriations to public universities in section 236 for the fiscal year ending September 30, 2021 for operations funding shall be reduced by 10% pursuant to the procedures described in subdivision (a) for a public university that fails to submit certification to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies by October 1, 2020 that the university complies with sections 274c and 274d and that it complies with all of the requirements described in subdivisions (b) to (i), as follows:

(a) If a university fails to submit certification, the state budget director shall withhold 10% of that university's annual operations funding until the university submits certification. If a university fails to submit certification by the end of the fiscal year, the 10% of its annual operations funding that is withheld shall lapse to the general fund.

(b) For title IX investigations of alleged sexual misconduct, the university prohibits the use of medical experts that have an actual or apparent conflict of interest.

(c) For title IX investigations of alleged sexual misconduct, the university prohibits the issuance of divergent reports to complainants, respondents, and administration and instead requires that identical reports be issued to them.

(d) Consistent with the university's obligations under 20 USC 1092(f), the university notifies each individual who reports having experienced sexual assault by a student, faculty member, or staff member of the university that the individual has the option to report the matter to law enforcement, to the university, to both, or to neither, as the individual may choose.

(e) The university provides both of the following:

(i) For all freshmen and incoming transfer students enrolled, an in-person sexual misconduct prevention presentation or course, which must include contact information for the title IX office of the university.

(ii) For all students not considered freshmen or incoming transfer students, an online or electronic sexual misconduct prevention presentation or course.

(f) The university prohibits seeking compensation from the recipient of any medical procedure, treatment, or care provided by a medical professional who has been convicted of a felony arising out of the medical procedure, treatment, or care.

(g) The university had a third party review its title IX compliance office and related policies and procedures by the end of the 2018-2019 academic year. A copy of the third-party review shall be transmitted to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies. After the third-party review has been conducted for the 2018-2019 academic year, the university shall have a third-party review once every three years and a copy of the third-party review shall be transmitted to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies.

(h) The university requires that the governing board and the president or chancellor of the university receive not less than quarterly reports from their title IX coordinator or title IX office. The report shall contain aggregated data of the number of sexual misconduct reports that the office

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received for the academic year, the types of reports received, including reports received against employees, and a summary of the general outcomes of the reports and investigations. A member of the governing board may request to review a title IX investigation report involving a complaint against an employee, and the university shall provide the report in a manner it considers appropriate. The university shall protect the complainant's anonymity, and the report shall not contain specific identifying information.

(i) If allegations against an employee are made in more than 1 title IX complaint that resulted in the university finding that no misconduct occurred, the university requires that the title IX officer promptly notify the president or chancellor and a member of the university's governing board in writing and take all appropriate steps to ensure that the matter is being investigated thoroughly, including hiring an outside investigator for future cases involving that employee. A third-party title IX investigation under this subdivision does not prohibit the university from simultaneously conducting its own title IX investigation through its own title IX coordinator.

(2) Each public university that receives an appropriation in section 236 shall also certify that its president or chancellor and a member of its governing board has reviewed all title IX reports involving the alleged sexual misconduct of an employee of the university, and shall send the certification to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director by October 1, 2020.

(3) For purposes of this section, "sexual misconduct" includes, but is not limited to, any of the following:

- (a) Intimate partner violence.
- (b) Nonconsensual sexual conduct.
- (c) Sexual assault.
- (d) Sexual exploitation.
- (e) Sexual harassment.
- (f) Stalking.

Background: New 10% penalty for not complying with sexual assault prevention measures and Title IX investigation guidelines first included in FY 2018-19.

265d **Memorandums of Understanding with Local Law Enforcement.** Each public university that receives an appropriation in section 236 is encouraged to enter into a memorandum of understanding with at least 1 local law enforcement agency with jurisdiction on or around campus for the communication and coordination of responses to incidents of sexual assault.

Background: First included in FY 2018-19.

265e **Campus Initiatives.** It is the intent of the legislature that public universities use a portion of funds received in section 236 for campus safety programs, sexual assault prevention programs, and student mental health programs.

Background: In FY 2018-19 the Senate added new language providing that additional funding the Senate included for campus initiatives shall be limited to expenditures on Campus Safety Programs, Sexual Assault Prevention Programs, and Student Mental Health Programs. The Conference Committee did not include the additional funding, but included legislative intent language stating that a portion of the funds appropriated to universities in Section 236 shall be expended on those programs.

267 **Tuition and Fees Report.** All public universities shall submit the amount of tuition and fees actually charged to a full-time resident undergraduate student for academic year 2020-2021 as part of their higher education institutional data inventory (HEIDI) data by October 1, 2020, and by the last business day of August each year thereafter. A public university shall report any revisions for any semester of the reported academic year 2020-2021 tuition and fee charges to HEIDI within 15 days of being adopted.

Background: Longstanding reporting requirement.

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- 268 **North American Indian Tuition Waiver.** (1) For the fiscal year ending September 30, 2021, it is the intent of the legislature that funds be allocated for unfunded North American Indian tuition waiver costs incurred by public universities under 1976 PA 174, MCL 390.1251 to 390.1253, from the general fund.
- (2) By January 15 of each year, the department of civil rights shall annually submit to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies a report on North American Indian tuition waivers for the preceding academic year that includes, but is not limited to, all of the following information:
- (a) The number of waiver applications received and the number of waiver applications approved.
- (b) For each university submitting information under subsection (3), all of the following:
- (i) The number of graduate and undergraduate North American Indian students enrolled each term for the previous academic year.
- (ii) The number of North American Indian waivers granted each term, including to continuing education students, and the monetary value of the waivers for the previous academic year.
- (iii) The number of graduate and undergraduate students attending under a North American Indian tuition waiver who withdrew from the university each term during the previous academic year. For purposes of this subparagraph, a withdrawal occurs when a student who has been awarded the waiver withdraws from the institution at any point during the term, regardless of enrollment in subsequent terms.
- (iv) The number of graduate and undergraduate students attending under a North American Indian tuition waiver who successfully complete a degree or certificate program, separated by degree or certificate level, and the graduation rate for graduate and undergraduate students attending under a North American Indian tuition waiver who complete a degree or certificate within 150% of the normal time to complete, separated by the level of the degree or certificate.
- (3) A public university that receives funds under section 236, or a tribal college receiving pass-through funds under section 269, 270, or 270c, shall provide to the department of civil rights any information necessary for preparing the report detailed in subsection (2), using guidelines and procedures developed by the department of civil rights.
- (4) The department of civil rights may consolidate the report required under this section with the report required under section 223, but a consolidated report must separately identify data for universities and data for community colleges.
- Background:** Costs of waiver program were rolled into the line item appropriations for universities in FY 1996-97. Adjustments in the budget have not kept pace with the actual cost of the waivers, resulting in universities absorbing the cost of the shortfall. The non-reimbursed cost for universities in FY 2017-18 (based on FY 2016-17 actual expenditures) was \$6.5 million. New reporting requirements were included in FY 2013-14. A separate appropriation of \$500,000 was included in FY 2014-15 to partially offset funding shortfalls. In FY 2015-16 the \$500,000 was rolled-in to university operations funding. Reporting responsibilities were transferred to the Department of Civil Rights in FY 2016-17. A separate appropriation of \$300,000 was added in FY 2017-18 and FY 2018-19 to partially offset funding shortfalls. Clarifications regarding reporting requirements and a distribution method for the separate appropriation were added in FY 2017-18. In FY 2019-20, the subsection that distributed the \$300,000 appropriation discussed above was removed to reflect removal of that appropriation, as ITW costs were fully-funded in Sec. 236 appropriations. In FY 2020-21 the reporting date was moved from February 15 to January 15 and tribal colleges receiving an ITW payment were required to submit a report.
- 269 **CMU Payment to Saginaw Chippewa Tribal College.** For fiscal year 2020-2021, from the amount appropriated in section 236 to Central Michigan University for costs incurred under the North American Indian tuition waiver, \$79,700.00 shall be paid to Saginaw Chippewa Tribal College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253. It is the intent of the legislature that Saginaw Chippewa Tribal College provide the department of civil rights the necessary information for the college to be included in the report required under section 268.

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	<p>Background: This section was added in FY 2009-10. The payment was increased from \$29,700 to \$79,700 in FY 2020-21.</p>
270	<p><u>LSSU Payment to Bay Mills Community College.</u> For fiscal year 2020-2021, from the amount appropriated in section 236 to Lake Superior State University for costs incurred under the North American Indian tuition waiver, \$0.00 shall be paid to Bay Mills Community College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253. It is the intent of the legislature that Bay Mills Community College provide the department of civil rights the necessary information for the college to be included in the report required under section 268.</p>
270b	<p>Background: This pass-through was originally included in Northern Michigan University's line item in FY 1996-97. It was transferred to LSSU in FY 2004-05. The payment was reduced from \$100,000 to \$0 in FY 2020-21.</p> <p><u>One-Time Passthrough Payment to Bay Mills Community College.</u> (1) For fiscal year 2020-2021, from the amount appropriated in section 236 to Lake Superior State University for 1-time pass-through payment for Bay Mills Community College, \$1,000,000.00 is to be paid to Bay Mills Community College for the costs of educating non-Native American students.</p> <p>(2) The state treasurer shall direct Lake Superior State University to provide the payment described in subsection (1) after the state budget director determines that Bay Mills Community College submitted all of the information described in subdivisions (a) to (f), as follows, in the form and manner specified by the center. If the state budget director determines that Bay Mills Community College failed to submit any of the following information in the form and manner specified by the center, the state treasurer shall, subject to subsection (3), direct Lake Superior State University to withhold the payment from the community college until that information is submitted:</p> <p>(a) The Michigan community colleges verified data inventory data for the preceding academic year to the center by the first business day of December of each year as specified in section 217.</p> <p>(b) The college credit opportunity data set as specified in section 209.</p> <p>(c) The longitudinal data set for the preceding academic year to the center as specified in section 219.</p> <p>(d) The annual independent audit as specified in section 222.</p> <p>(e) Tuition and mandatory fees information for the current academic year as specified in section 225.</p> <p>(f) The number and type of associate degrees and other certificates awarded during the previous academic year as specified in section 226.</p> <p>(3) The state budget director shall notify the chairs of the house and senate appropriations subcommittees on community colleges at least 10 days before directing funds to be withheld from Bay Mills Community College under this section.</p>
270c	<p>Background: This section was first included in FY 2020-21.</p> <p><u>Northern Michigan University Payment to Keweenaw Bay Ojibwa Community College.</u> For fiscal year 2020-2021, from the amount appropriated in section 236 to Northern Michigan University for costs incurred under the North American Indian tuition waiver, \$50,000.00 is to be paid to Keweenaw Bay Ojibwa Community College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253. It is the intent of the legislature that Keweenaw Bay Ojibwa Community College provide the department of civil rights the necessary information for the community college to be included in the report required under section 268.</p> <p>Background: This section was first included in FY 2020-21.</p>

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- 271a **Unionization/Decertification Instructional Activity.** It is the intent of the legislature that a public university that receives funds under section 236 shall not knowingly and directly use any portion of those funds to offer any instructional activity that targets specific companies or specific groups of companies for unionization or decertification of a union.
- Background:** First included in FY 2014-15 in response to courses at MSU that previously were part of the National Labor College.
- 274 **Embryonic Stem Cell Report.** It is the intent of the legislature that public and private organizations that conduct human embryonic stem cell derivation subject to section 27 of article I of the state constitution of 1963 will provide information to the director of the department of health and human services by December 1, 2019 that includes all of the following:
- (a) Documentation that the organization conducting human embryonic stem cell derivation is conducting its activities in compliance with the requirements of section 27 of article I of the state constitution of 1963 and all relevant National Institutes of Health guidelines pertaining to embryonic stem cell derivation.
- (b) A list of all human embryonic stem cell lines submitted by the organization to the National Institutes of Health for inclusion in the Human Embryonic Stem Cell Registry before and during fiscal year 2018-2019, and the status of each submission as approved, pending approval, or review completed but not yet accepted.
- (c) Number of human embryonic stem cell lines derived and not submitted for inclusion in the Human Embryonic Stem Cell Registry, before and during fiscal year 2018-2019.
- Background:** A version of this language was first included in FY 2011-12.
- 274c **Sexual Assault Response Training.** By February 1 of each year, each university receiving funds under section 236 shall report to the senate and house appropriations subcommittees on higher education, the senate and house fiscal agencies, and the state budget director on its efforts to develop and implement sexual assault response training for the university's title IX coordinator, campus law enforcement personnel, campus public safety personnel, and any other campus personnel charged with responding to on-campus incidents, including information on sexual assault response training materials and the status of implementing sexual assault response training for campus personnel.
- Background:** This language was first included in FY 2015-16.
- 274d **Annual Title IX Report.** (1) By October 31, each university receiving funds under section 236 shall report to the senate and house appropriations subcommittees on higher education, the senate and house fiscal agencies, the state budget director, and the attorney general its annual title IX report, also known as the student sexual misconduct report, issued by the title IX coordinator, as required under the federal campus save act of 2013, Public Law 113-4, section 304, 127 Stat 54, 89-92 (2013).
- (2) For purposes of the report required under subsection (1), each university shall include a title IX summary report that includes all of the following information:
- (a) The amounts and descriptions of all fees incurred in title IX-related civil and criminal litigation.
- (b) The number of title IX complaints.
- (c) The average length of time for investigation and resolution of title IX complaints.
- (d) The aggregate number of title IX cases, investigations, and complaints for each of the categories described in subparagraphs (i) to (iii), subject to subparagraph (iv), as follows:
- (i) Cases investigated for less than 15 days.
- (ii) Cases investigated for at least 30 days and less than 60 days.
- (iii) Cases investigated for 90 days or more.
- (iv) If, for any category of cases under subparagraphs (i) to (iii), there is an aggregate of fewer than 5 cases investigated, the university shall not report the aggregate number of cases and instead shall report that fewer than 5 cases were investigated.

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(e) The number of title IX appeals and the resolutions of those appeals.

(f) The number of title IX-related complaints filed by the university with law enforcement agencies.

Background: First included in FY 2017-18. The Attorney General was added to listing of report recipients in FY 2018-19. Subsection (2) was added in FY 2018-19.

275

GI Education Enhancement Program. (1) Each public university that receives an appropriation in section 236 shall do all of the following:

(a) Meet the provisions of section 5003 of the post-911 veterans educational assistance act of 2008, 38 USC 3301 to 3327, including voluntary participation in the Yellow Ribbon GI Education Enhancement Program established in that act in 38 USC 3317. By October 1 of each year, each public university shall report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the Michigan Association of State Universities on whether or not it has chosen to participate in the Yellow Ribbon GI Education Enhancement Program. If at any time during the fiscal year a university participating in the Yellow Ribbon Program chooses to leave the Yellow Ribbon Program, it shall notify the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the Michigan Association of State Universities.

(b) Establish an on-campus veterans' liaison to provide information and assistance to all student veterans.

(c) Provide flexible enrollment application deadlines for all veterans.

(d) Include in its admission application process a specific question as to whether an applicant for admission is a veteran, an active member of the military, a member of the National Guard or military reserves, or the spouse or dependent of a veteran, active member of the military, or member of the National Guard or military reserves, in order to more quickly identify potential educational assistance available to that applicant.

(e) Consider all veterans residents of this state for determining their tuition rates and fees.

(f) Waive enrollment fees for all veterans.

(g) Provide reasonable programming and scheduling accommodations necessary to facilitate a student's military, national guard, or military reserves duties and training obligations.

(2) By October 1 of each year, each public university shall report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the department of military and veterans affairs regarding services provided specifically to veterans and active military duty personnel, including, but not limited to, the services described in subsection (1).

(3) As used in this section, "veteran" means an honorably discharged veteran entitled to educational assistance under the provisions of section 5003 of the post-911 veterans educational assistance act of 2008, 38 USC 3301 to 3327.

Background: First included in FY 2009-10. The Yellow Ribbon GI Education Enhancement Program (Yellow Ribbon Program) is a provision of the Post-9/11 Veterans Educational Assistance Act of 2008. This program allows institutions of higher learning (degree granting institutions) in the United States to voluntarily enter into an agreement with VA to fund tuition expenses that exceed the highest public in-state undergraduate tuition rate. The institution can contribute up to 50% of those expenses and VA will match the same amount as the institution. Subsection (d) was added in FY 2011-12. Subsections (1) (e), and (f) added in FY 2013-14. The reporting requirement in Subsection (2) was added in FY 2014-15. Paragraph (1) (g) was added in FY 2020-21.

275a

Self-liquidating Projects/JCOS Compliance. Funds appropriated in section 236 shall not be used by a public university to pay for the construction or maintenance of a self-liquidating project. A public university shall comply with section 238 of the management and budget act, 1984 PA 431, MCL 18.1238, and with the current use and finance requirements of the joint capital outlay subcommittee (JCOS) for any construction, renovation, or other capital outlay projects pursuant to JCOS policy. The appropriation in section 236 for a public university that fails to comply with JCOS reporting requirements shall be reduced by 1% for each violation.

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275b	<p>Background: First included in FY 2011-12. Language modified in FY 2013-14 based on 2012 capital outlay reform legislation.</p> <p>275b. (1) Each public university receiving funds under section 236 shall ensure that the public university does all of the following in its admission application process if it knows that an applicant for admission is currently serving, or has ever served, as a member of the military, the National Guard, or the military reserves:</p> <ul style="list-style-type: none"> (a) Inform the applicant that he or she may receive academic credit for college-level training and education he or she received while serving in the military. (b) Inform the applicant that he or she may submit a transcript of his or her college-level military training and education to the public university. (c) If the applicant submits a transcript described in subdivision (b), evaluate that transcript and notify the applicant of what transfer credits are available to the applicant from the public university for his or her college-level military training and education. <p>(2) As used in this section, "transcript" includes a joint services transcript prepared for the applicant under the American council on education registry of credit recommendations.</p> <p>Background: Added by Public Act 44 of 2015, effective September 7, 2015.</p>
275c	<p>Meningococcal Meningitis. Each university receiving funds under section 236 shall provide students with materials containing information about meningococcal meningitis and the vaccine for meningococcal meningitis, as provided by the department of health and human services pursuant to section 9205a of the public health code, 1978 PA 368, MCL 333.9205a. The materials shall contain information about, at a minimum, the causes and symptoms of meningococcal meningitis, how it is spread, and sources where students may obtain additional information about meningococcal meningitis and where they may obtain vaccination against meningococcal meningitis.</p> <p>Background: First included in FY 2017-18.</p>
275f	<p>Report on Campus Free Speech. By February 1, 2021, each public university receiving an appropriation in section 236 shall submit to the senate and house appropriations subcommittees on higher education, the senate and house fiscal agencies, and the state budget director a report on activities related to strategic planning and internal assessment or reassessment to best provide for open and free expression and speech, while protecting students from hate-speech, violence, and discrimination.</p> <p>Background: First included in FY 2020-21.</p>
275g	<p>COVID-19 Courses Offered Report. (1) By September 30, 2021, each public university receiving an appropriation in section 236 shall submit a report to the senate and house appropriations subcommittees on higher education, the senate and house fiscal agencies, and the state budget director containing the following information:</p> <ul style="list-style-type: none"> (a) The number of students enrolled during the 2020-2021 academic year. (b) The number of courses offered by course type. (c) The number of students enrolled by course type. (d) The drop rate and pass/fail rate by course type. (e) The average number of credit hours for which each student was enrolled at the start and end of each semester. (f) The number of students residing on campus each semester. (g) The number of students residing on campus between semesters. <p>(2) By November 1, 2020, each public university receiving an appropriation in section 236 shall submit a report to the senate and house appropriations subcommittees on higher education, the senate and house fiscal agencies, and the state budget director containing the following information:</p>

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- (a) A list of any student fees assessed related to online learning, and the amount of those fees.
- (b) A list of any student fees assessed related to COVID-19, and the amount of those fees.
- (c) A timeline of when decisions regarding the course types offered during the 2020-2021 academic year were made, and whether there were changes to those decisions before the academic year began.
- (d) An overview of COVID-19 mitigation strategies employed or that may be employed, if necessary.
- (e) An overview of COVID-19 testing criteria and mitigation strategies employed for controlling an outbreak on campus.
- (3) As used in this section, "course type" means the style of course delivery as being in-person, online, or as a hybrid of in-person and online learning.

Background: First included in FY 2020-21.

275h

Postsecondary Attainment Goal. It is the intent of the legislature to ensure that 60% of Michigan's residents achieve a postsecondary credential, high-quality industry certification, associate degree, or bachelor's degree by 2030.

Background: First included in FY 2020-21.

275i

Collection of Demographic Information. (1) Each public university receiving an appropriation in section 236 shall use a portion of those funds to collect demographic information about students with dependent children to better identify the needs of those students, barriers to degree and certification completion for them, and campus support structures and resources available to them. This demographic information must include at least all of the following:

- (a) The number of students with dependent children enrolled per semester.
- (b) The number of students with dependent children enrolled living in university residence halls, in dormitories, and in apartments.
- (c) The names of programs and resources available to students with dependent children, as well as offices that support those students.
- (d) Identified barriers to certificate or degree completion for students with dependent children.

(2) A public university shall collect demographic information from students with dependent children through a method best determined by the institution using best practice research methodology. This may include admission application questions, incoming-student orientation surveys, campus-wide climate surveys, financial aid surveys, housing surveys, or partnerships with government and nonprofit agencies that can provide general data that protects the individual privacy rights of students with dependent children.

(3) Student privacy rights must be protected during the collection process. Reporting must be voluntary on the part of students with dependent children. The public university shall include privacy protections for students and a description of the rationale for collecting the data.

(4) Each public university shall report to the senate and house appropriations subcommittees on higher education, the senate and house fiscal agencies, and the state budget director its collected data and survey results by the first business day of February.

(5) The collected data on students with dependent children will be used by the legislature to inform future appropriation decisions.

Background: First included in FY 2020-21.

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- 276 **Martin Luther King, Jr.-Cesar Chavez-Rosa Parks Future Faculty Program.** (1) Included in the appropriation for fiscal year 2020-2021 for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks future faculty program that is intended to increase the pool of academically or economically disadvantaged candidates pursuing faculty teaching careers in postsecondary education. Preference may not be given to applicants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage applications from applicants who would otherwise not adequately be represented in the graduate student and faculty populations. Each public university shall apply the percentage change applicable to every public university in the calculation of appropriations in section 236 to the amount of funds allocated to the future faculty program.
- (2) The program shall be administered by each public university in a manner prescribed by the department of labor and economic opportunity. The department of labor and economic opportunity shall use a good faith effort standard to evaluate whether a fellowship is in default.
- Background:** The King-Chavez-Parks Initiatives originated in FY 1985-86 and have gone through various changes over the years. This boilerplate, along with other sections, provide for a total of six programs.
- 277 **Martin Luther King, Jr.-Cesar Chavez-Rosa Parks College Day Program.** (1) Included in the appropriation for fiscal year 2020-2021 for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college day program that is intended to introduce academically or economically disadvantaged schoolchildren to the potential of a college education. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Public universities should encourage participation from those who would otherwise not adequately be represented in the student population.
- (2) Individual program plans of each public university shall include a budget of equal contributions from this program, the participating public university, the participating school district, and the participating independent degree-granting college. College day funds shall not be expended to cover indirect costs. Not more than 20% of the university match shall be attributable to indirect costs. Each public university shall apply the percentage change applicable to every public university in the calculation of appropriations in section 236 to the amount of funds allocated to the college day program.
- (3) The program described in this section shall be administered by each public university in a manner prescribed by the department of labor and economic opportunity.
- Background:** The King-Chavez-Parks Initiatives originated in FY 1985-86 and have gone through various changes over the years. This boilerplate, along with other sections, provide for a total of six programs.
- 278 **Martin Luther King, Jr.-Cesar Chavez-Rosa Parks Select Student Support Services Program.** (1) Included in section 236 for fiscal year 2020-2021 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks select student support services program for developing academically or economically disadvantaged student retention programs for 4-year public and independent educational institutions in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the student population.
- (2) An award made under this program to any 1 institution shall not be greater than \$150,000.00, and the amount awarded shall be matched on a 70% state, 30% college or university basis.
- (3) The program described in this section shall be administered by the department of labor and economic opportunity.
- Background:** The King-Chavez-Parks Initiatives originated in FY 1985-86 and have gone through various changes over the years. This boilerplate, along with other sections, provide for a total of six programs.

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- 279 **Martin Luther King, Jr.-Cesar Chavez-Rosa Parks College/University Partnership Program.** (1) Included in section 236 for fiscal year 2020-2021 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college/university partnership program between 4-year public and independent colleges and universities and public community colleges, which is intended to increase the number of academically or economically disadvantaged students who transfer from community colleges into baccalaureate programs. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the transfer student population.
- (2) The grants shall be made under the program described in this section to Michigan public and independent colleges and universities. An award to any 1 institution shall not be greater than \$150,000.00, and the amount awarded shall be matched on a 70% state, 30% college or university basis.
- (3) The program described in this section shall be administered by the department of labor and economic opportunity.
- Background:** The King-Chavez-Parks Initiatives originated in FY 1985-86 and have gone through various changes over the years. This boilerplate, along with other sections, provide for a total of six programs.
- 280 **Martin Luther King, Jr.-Cesar Chavez-Rosa Parks Visiting Professors Program.** (1) Included in the appropriation for fiscal year 2020-2021 for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks visiting professors program which is intended to increase the number of instructors in the classroom to provide role models for academically or economically disadvantaged students. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Public universities should encourage participation from those who would otherwise not adequately be represented in the student population.
- (2) The program described in this section shall be administered by the department of labor and economic opportunity.
- Background:** The King-Chavez-Parks Initiatives originated in FY 1985-86 and have gone through various changes over the years. This boilerplate, along with other sections, provide for a total of six programs.
- 281 **Martin Luther King, Jr.-Cesar Chavez-Rosa Parks initiative for the Morris Hood, Jr. Educator Development Program.** (1) Included in the appropriation for fiscal year 2020-2021 in section 236 is funding under the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks initiative for the Morris Hood, Jr. educator development program which is intended to increase the number of academically or economically disadvantaged students who enroll in and complete K-12 teacher education programs at the baccalaureate level. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the teacher education student population.
- (2) The program described in this section shall be administered by each state-approved teacher education institution in a manner prescribed by the department of labor and economic opportunity.
- (3) Approved teacher education institutions may and are encouraged to use student support services funding in coordination with the Morris Hood, Jr. funding to achieve the goals of the program described in this section.
- Background:** The King-Chavez-Parks Initiatives originated in FY 1985-86 and have gone through various changes over the years. This boilerplate, along with other sections, provide for a total of six programs.

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- 281a **King-Chavez-Parks Report.** (1) Each public university that receives an amount of the appropriations in section 236 for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks initiatives shall submit a report to the department of labor and economic opportunity by December 15 of each year containing, at a minimum, all of the following information from the immediately preceding academic year:
- (a) For the future faculty program detailed in section 276, the number of completions by degree type, and the fellowship default rate.
 - (b) For the college day program detailed in section 277, the number of students served and the amount of matching funds from each college and participating school district.
 - (c) For the select student support services program detailed in section 278, the number of students served, the amount of any university matching funds for the program, and the number and percentage of program participants who graduate.
 - (d) For the college/university partnership program detailed in section 279, the number of students served, the number of bachelor's degrees conferred to program participants, the 6-year graduation rate of program participants, and the amount of any university matching funds for the program.
 - (e) For the visiting professors program detailed in section 280, the number of students who took a class taught by an instructor hired using program funds, the number of instructors hired using program funds, the number of class sections taught by instructors hired using program funds, and the amount of any university matching funds for the program.
 - (f) For the educator development program detailed in section 281, the number of students participating in the program and the number of education-related bachelor's degrees conferred to participants in the program.
- (2) By February 15 of each year, the department of labor and economic opportunity shall compile the reports submitted under subsection (1) and submit them to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director.
- Background:** First included in FY 2020-21.
- 282 **Reallocation of Unexpended Funds.** Each institution receiving funds for fiscal year 2020-2021 under section 278, 279, or 281 shall provide to the department of labor and economic opportunity by April 15, 2021 the unobligated and unexpended funds as of March 31, 2021 and a plan to expend the remaining funds by the end of the fiscal year. Notwithstanding the award limitations in sections 278 and 279, the amount of funding reported as not being expended will be reallocated to the institutions that intend to expend all funding received under section 278, 279, or 281.
- Background:** Provides for reallocation of unexpended funds.
- 283 **Academic Status of Former High School Students.** (1) Using the data provided to the center as required by section 244 of this act, the center shall use the P-20 longitudinal data system to inform interested Michigan high schools and the public regarding the aggregate academic status of its students. The center shall work with the universities and the Michigan Association of State Universities and in cooperation with the Michigan Association of Secondary School Principals.
- (2) Michigan high schools shall systematically inform the public universities about the use of information received under this section in a manner prescribed by the Michigan Association of Secondary School Principals in cooperation with the Michigan Association of State Universities.
- Background:** Longstanding boilerplate provision. No statewide report is available regarding compliance with this section. Provision regarding universities working with the Center for Educational Performance and Information added in FY 2012-13.
- 284 **Academic Status of Community College Transfer Students.** Using data provided to the center as required by section 244 of this act, the center shall use the P-20 longitudinal data system to inform Michigan community colleges regarding the academic status of community college transfer students. The center shall work with the universities and the Michigan Association of State Universities in cooperation with the Michigan Community College Association.

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285	<p>Background: Longstanding boilerplate provision. No statewide report is available regarding compliance with this section. Provision regarding universities working with the Center for Educational Performance and Information added in FY 2012-13.</p> <p>Transfer of Credits to Universities. Public universities shall work with the state community colleges to encourage the transfer of students from the community colleges to the public universities and to facilitate the transfer of credits from the community colleges to the public universities.</p> <p>Background: First included in FY 2007-08. Public universities have developed a transfer wizard available on the Internet that provides information on courses that are accepted by universities.</p>
286	<p>Reverse Transfer. Public universities shall work with community colleges in the state to implement statewide reverse transfer agreements to increase the number of students that are awarded credentials of value upon completion of the necessary credits. These statewide agreements shall enable students who have earned a significant number of credits at a community college and transfer to a baccalaureate granting institution before completing a degree to transfer the credits earned at the baccalaureate institution back to the community college in order to be awarded a credential of value.</p> <p>Background: First included in FY 2011-12.</p>
289	<p>HEIDI Audits. (1) In accordance with section 299(4) of the management and budget act, 1984 PA 431, MCL 18.1299, at least once every 4 years, the auditor general shall audit higher education institutional data inventory (HEIDI) data submitted by all public universities under section 241 and may perform audits of selected public universities if determined necessary. The audits shall be based upon the definitions, requirements, and uniform reporting categories established by the state budget director in consultation with the HEIDI advisory committee. The auditor general shall submit a report of findings to the house and senate appropriations committees and the state budget director no later than July 1 of each year an audit takes place.</p> <p>(2) Student credit hours reports shall not include the following:</p> <p>(a) Student credit hours generated through instructional activity by faculty or staff in classrooms located outside Michigan, with the exception of instructional activity related to study-abroad programs or field programs.</p> <p>(b) Student credit hours generated through credit by examination.</p> <p>(c) Student credit hours generated in new degree programs created on or after January 1, 1975 and before January 1, 2013, that were not specifically authorized for funding by the legislature, except spin-off programs converted from existing core programs, and student credit hours generated in any new degree programs created after January 1, 2013, that are specifically excluded from reporting by the legislature under this section.</p> <p>Background: Longstanding audit requirement for HEIDI. In FY 2013-14 the reference to review was replaced by audits and specific reference to enrollment data was removed. Subsection 2 (e) was changed to reflect the elimination of the listing of new degree programs in the bill. Previously Subsection 2(e) provided that student credit hours generated in new degree programs after January 1, 1975, that have not been specifically authorized for funding by the Legislature, with certain exceptions, would not be included in student credit hours reported to HEIDI. In FY 2019-20, prohibitions on counting student credit hours generated through distance learning and inmate programs were eliminated.</p>

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290 **New Degree Programs.** By March 1 of each year, the Michigan Association of State Universities shall provide a listing of new degree programs for which enrollment information will be reported to HEIDI under sections 241 and 289, as well as a listing of degree programs that institutions of higher education will no longer offer in subsequent academic years, to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director.

Background: Prior to FY 2013-14, the language provided that public universities may establish the degree programs listed in this section. In FY 2013-14 the listing in the bill was eliminated, but the reporting requirement was retained, along with the Legislature's authority (pursuant to Section 289) to exclude from HEIDI enrollment reporting any new degree program specifically excluded from reporting by the Legislature.

291 **Performance Audits.** The auditor general may conduct performance audits of public universities receiving funds in section 236 as the auditor general considers necessary.

Background: Restates Auditor General's authority (Michigan Constitution, Article IV, Section 53). Original language required auditor general to conduct audits.

296 **School Aid Fund (SAF) Proration.** (1) If the maximum amount appropriated under this act from the state school aid fund for a fiscal year exceeds the amount necessary to fully fund allocations under this act from the state school aid fund, that excess amount shall not be expended in that state fiscal year and shall not lapse to the general fund, but instead shall be deposited into the school aid stabilization fund created in section 11a.

(2) If the total maximum amount appropriated under all articles of this act from the state school aid fund and the school aid stabilization fund exceeds the amount available for expenditure from the state school aid fund for that fiscal year, payments under sections 11j, 11m, 22a, 26a, 26b, 26c, 31d, 31f, 51a(2), 51a(11), 51c, 53a, 56, 147c, 147e(2)(a), and 152a shall be made in full. In addition, for districts beginning operations after 1994-95 that qualify for payments under section 22b, payments under section 22b shall be made so that the qualifying districts receive the lesser of an amount equal to the 1994-95 foundation allowance of the district in which the district beginning operations after 1994-95 is located or \$5,500.00. The amount of the payment to be made under section 22b for these qualifying districts shall be as calculated under section 22a, with the balance of the payment under section 22b being subject to the proration otherwise provided under this subsection and subsection (3). If proration is necessary, state payments under each of the other sections of article I from all state funding sources, and state appropriations to community colleges and public universities under articles II and III from the state school aid fund, shall be prorated in the manner prescribed in subsection (3) as necessary to reflect the amount available for expenditure from the state school aid fund for the affected fiscal year. However, if the department of treasury determines that proration will be required under this subsection, or if the department of treasury determines that further proration is required under this subsection after an initial proration has already been made for a fiscal year, the department of treasury shall notify the state budget director, and the state budget director shall notify the legislature at least 30 calendar days or 6 legislative session days, whichever is more, before the department reduces any payments under this act because of the proration. During the 30-calendar-day or 6-legislative-session-day period after that notification by the state budget director, the department shall not reduce any payments under this act because of proration under this subsection. The legislature may prevent proration from occurring by, within the 30-calendar-day or 6-legislative-session-day period after that notification by the state budget director, enacting legislation appropriating additional funds from the general fund, countercyclical budget and economic stabilization fund, state school aid fund balance, or another source to fund the amount of the projected shortfall.

(3) If proration is necessary under subsection (2), the department shall calculate the proration in district and intermediate district payments under article I that is required under subsection (2), and the department of treasury shall calculate the proration in community college and public university payments under articles II and III that is required under subsection (2), as follows:

(a) The department and the department of treasury shall calculate the percentage of total state

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school aid fund money that is appropriated and allocated under this act for the affected fiscal year for each of the following:

- (i) Districts.
- (ii) Intermediate districts.
- (iii) Entities receiving funding from the state school aid fund under article I other than districts or intermediate districts.
- (iv) Community colleges and public universities that receive funding from the state school aid fund.

(b) The department shall recover a percentage of the proration amount required under subsection (2) that is equal to the percentage calculated under subdivision (a)(i) for districts by reducing payments to districts. This reduction shall be made by calculating an equal dollar amount per pupil as necessary to recover this percentage of the proration amount and reducing each district's total state school aid from state sources, other than payments under sections 11j, 11m, 22a, 26a, 26b, 26c, 31d, 31f, 51a(2), 51a(11), 51c, 53a, 147c, 147e(2)(a), and 152a, by that amount.

(c) The department shall recover a percentage of the proration amount required under subsection (2) that is equal to the percentage calculated under subdivision (a)(ii) for intermediate districts by reducing payments to intermediate districts. This reduction shall be made by reducing the payments to each intermediate district, other than payments under sections 26a, 26b, 26c, 51a(2), 51a(11), 53a, 56, 147c, 147e(2)(a), and 152a, on an equal percentage basis.

(d) The department shall recover a percentage of the proration amount required under subsection (2) that is equal to the percentage calculated under subdivision (a)(iii) for entities receiving funding from the state school aid fund under article I other than districts and intermediate districts by reducing payments to these entities. This reduction shall be made by reducing the payments to each of these entities, other than payments under sections 11j, 11m, 26a, 26b, and 26c on an equal percentage basis.

(e) The department of treasury shall recover a percentage of the proration amount required under subsection (2) that is equal to the percentage calculated under subdivision (a)(iv) for community colleges and public universities that receive funding from the state school aid fund by reducing that portion of the payments under articles II and III to these community colleges and public universities, other than payments under sections 201(5) and 236(4), that is from the state school aid fund on an equal percentage basis.

Background: Made applicable to community colleges and universities in FY 2011-12. Subjects university appropriations from the School Aid Fund (SAF) to the proration process, if SAF appropriations exceed the amount available for expenditure.