

DEPARTMENT OF EDUCATION
Summary of FY 2009-10
HB 4438 (H-1): As reported from Committee



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	FY 2008-09 YTD	FY 2009-10 Executive	FY 2009-10 House	FY 2009-10 Senate	FY 2009-10 Enacted	Difference: House Rec From FY 2008-09 YTD	
						Amount	%
IDG/IDT	\$0	\$0	\$0	\$0	\$0	\$0	0.0
Federal	70,615,800	76,430,200	76,430,200			5,814,400	8.2
Local	6,924,600	7,008,700	7,008,700			84,100	1.2
Private	3,087,800	3,096,500	3,096,500			8,700	0.3
Restricted	6,980,800	7,038,900	7,338,900			358,100	5.1
GF/GP	7,438,100	26,389,700	26,689,700			19,251,600	254.9
Gross	\$95,047,100	\$119,964,000	\$120,564,000			25,516,900	26.8
FTEs	488.5	558.5	558.5			70.0	14.3

Note: FY 2008-09 figures reflect supplementals and Executive Order (EO) actions through January 31, 2009.

Overview

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

Major Budget Changes From FY 2008-09 YTD Appropriations

1. Library of Michigan

Executive increases the budget by \$22.0 million and 72.0 FTEs to recognize the transfer of the library functions from the Department of History, Arts, and Libraries (DHAL). This includes \$5.9 million and 70.0 FTEs for the Library of Michigan operations, \$5.6 million and 2.0 FTEs for the Library Services and Technology program, \$10.0 million for State Aid to Libraries, and \$505,000 for Subregional State Aid.

House concurs with the Executive and also adds \$300,000 to maintain support for the 2 book distribution centers funded in the current DHAL budget at \$360,000.

	FY 2008-09 YTD	House Change From YTD
FTEs	0.0	72.0
Gross	\$0	\$22,280,600
Federal	0	5,557,400
GF/GP	\$0	\$16,723,200

2. Additional Staff

Executive includes an increase of \$250,000 and 3.0 FTEs to administer the 21st Century Schools Program and \$70,000 and 1.0 FTE for support to districts in deficit.

House includes an increase of \$125,000 and 1.5 FTEs for the 21st Century Schools Program, \$70,000 and 1.0 FTE for support to districts in deficit, \$95,000 and 1.0 FTE for a state school nurse consultant, and \$30,000 and 0.5 FTE to maintain the Blue Ribbon Exemplary Schools program.

FTEs	0.0	4.0
Gross	\$0	\$320,000
GF/GP	\$0	\$320,000

3. Teacher Certification Programs

Executive eliminates earmarks of \$100,000 each for the alternative teacher certification programs at Central Michigan University (CMU) and Wayne State University (WSU). Also eliminates \$100,000 for grants to teachers who apply for National Board Certification.

House maintains full funding for all three programs.

Gross	\$300,000	\$0
Restricted	300,000	0
GF/GP	\$0	\$0

Major Budget Changes From FY 2008-09 YTD Appropriations	FY 2008-09 YTD	House Change From YTD
4. Administrative Reductions and Technical Adjustments	FTEs	(6.0)
<u>Executive</u> recognizes a number of adjustments including annualizing FY 2008-09 budget changes and Executive Order 2008-21 reductions, shifting fund sources among lines to satisfy Federal audits and to replace lost Federal funds, reducing assessment administration costs, transferring internal audit functions to DMB and recognizing computer updates and rent reductions.	Gross	(\$357,900)
<u>House</u> concurs.	Federal	(398,000)
	Local	2,400
	Restricted	304,100
	GF/GP	(\$266,400)
5. Economic Adjustments	Gross	\$866,000
<u>Executive</u> provides \$866,000 gross (\$66,600 GF/GP) increase for economic changes in salaries and wages, retirement, insurance, workers compensation, and building occupancy charges.	Federal	655,000
<u>House</u> concurs.	Local	81,700
	Private	8,700
	Restricted	54,000
	GF/GP	\$66,600

Major Boilerplate Changes From FY 2008-09

Sec. 210. Information Technology Work Projects – DELETED

Allows the Department to carry forward unexpended funds for technology projects as work projects. Executive and House delete.

Sec. 211. Adequate Yearly Progress (AYP) Reports – RETAINED

Requires that the Department allow districts to appeal a determination of failure to meet AYP prior to the Department publicizing lists of districts that failed to meet AYP. Executive deletes. House retains current language.

Sec. 213. Hiring Freeze – DELETED

Imposes a hiring freeze and prohibits the department from filling civil service positions but allows the State Budget Director to grant exceptions to the hiring freeze. Executive and House delete.

Sec. 215. Professional Development Travel – DELETED

Prohibits the travel of more than one employee to a specific out-of-state professional development conference or training seminar unless it is funded through federal or private funds and requires more than one employee to attend. Executive and House delete.

Sec. 216. Contact with the Legislature – RETAINED

Prohibits the department from taking disciplinary action against an employee from communicating with a member of the Legislature or his or her staff. Executive deletes. House retains current language.

Sec. 220. Timely Data – RETAINED

Requires the department to provide data to the legislature, its staff or the fiscal agencies in a timely manner. Executive deletes. House retains current language.

Sec. 222. Policy Changes, Preparation of Regulatory Plans and Rule Promulgation – DELETED

Requires a report of policy changes made to implement enacted legislation; prohibits MDE from spending funds to prepare regulatory plans or promulgate rules that fail to reduce the disproportionate economic impact on small businesses. Executive and House delete.

Sec. 223. FTE Bi-Monthly Reports – NEW

House adds language requiring the department to report every other month on FTEs by civil service classification.

Sec. 224. FTE Annual Report – NEW

House adds language requiring the department along with State Budget Office, once a year, to provide a more detailed FTE report along with salary and benefit cost and fund source information for each line item.

Sec. 407. Private Gifts, Bequests, and Donations – NEW

Allows the Department to carry forward unexpended revenues from gifts, bequests, and donations for the Michigan Schools for the Deaf and Blind to the following fiscal year. Executive adds new language. House concurs.

Sec. 503. Teacher Preparation Programs – MAINTAINED

Provides \$100,000 each for Central Michigan University alternative route to certification program and Wayne State University pathways to teaching program. Requires a reporting requirement for the programs including number of teachers certified, time served in the classroom, and teacher evaluations. Executive deletes. House maintains.

Major Budget Changes From FY 2008-09 YTD Appropriations

FY 2008-09 YTD

**House Change
From YTD**

Sec. 504. National Board Certification – MAINTAINED

Requires the Department to pay 1/2 the application fee for teachers applying to the national board certification program. Executive deletes. House maintains current language.

Sec. 506. Teacher Testing Fees – NEW

Allows the Department to carry forward unexpended revenues from teacher testing fees to the following fiscal year. Executive adds new language. House concurs.

Sec. 602. Blue Ribbon Exemplary Schools – NEW

House adds language providing that out of the appropriation for school improvement operations, \$30,000 and 0.5 FTE is allocated to maintain the operation of the Blue Ribbon Exemplary Schools Program which recognizes achievement by exemplary schools.

Sec. 801. Additional Library Revenues – NEW

Allows the Department to collect and spend additional revenues collected from library services to support such services and allows unexpended funds to be carried forward to the following fiscal year. Executive adds language transferred from the DHAL budget. House concurs.

Sec. 802. Subregional State Aid Maintenance of Effort – NEW

Requires recipients of subregional state aid for libraries to maintain local funding levels for regional or subregional libraries, but provides for certain exceptions. Executive adds language transferred from the DHAL budget. House adds the current funding application and disbursement dates in the boilerplate.

Sec. 803. Subregional State Aid Release of Funds – NEW

Prohibits the release of funds for subregional state aid to libraries until the department has approved a libraries budget for expenditures for library services to the blind or for persons with disabilities. Executive adds language transferred from the DHAL budget. House concurs.

Sec. 804. Book Distribution Centers – NEW

Requires that the funds appropriated for book distribution centers be distributed equally to the public enrichment foundation and the Michigan friends of education. House adds language transferred from the DHAL budget.

Sec. 805. Keep Library Functions together – NEW

Provides intent that in a reorganization of the Department of History, Arts, and Libraries that the State maintain all the functions of the Library of Michigan together in a state department.

Sec. 902. State School Nurse Consultant – NEW

House adds language providing that out of the appropriation for grants administration and school support services, \$95,000 and 1.0 FTE is allocated for a state school nurse consultant to collect and analyze school health data, develop guidelines and standards for school health personnel, and develop mechanisms for funding school nurse services.

Sec. 950. Cyberschools – DELETED

Requires MDE to report on barriers to the operation of cyberschools for special student populations including dropouts and expelled students. Executive and House delete.