

**Summary: Executive Budget Recommendation
for Fiscal Year 2025-26
DEPARTMENT OF EDUCATION**



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	FY 2024-25	FY 2025-26	Difference: FY 2025-26	
	Year-to-Date as of 2/5/25	Executive	Amount	%
IDG/IDT	\$0	\$0	\$0	--
Federal	82,550,500	83,575,100	1,024,600	1.2
Local	5,868,500	5,884,200	15,700	0.3
Private	2,542,200	2,547,500	5,300	0.2
Restricted	10,117,800	10,193,800	76,000	0.8
GF/GP	63,896,100	62,722,100	(1,174,000)	(1.8)
Gross	\$164,975,100	\$164,922,700	(\$52,400)	(0.0)
FTEs	574.5	587.5	13.0	2.3

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

Overview

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

Major Budget Changes from FY 2024-25 Year-to-Date (YTD) Appropriations		FY 2024-25 YTD (as of 2/5/25)	Executive Change from YTD
1. Science of Reading Literacy Supports	FTE	84.7	6.0
Increases by \$960,900 GF/GP and provides authorization for 6.0 FTE positions to provide supports to districts on new dyslexia requirements under 2024 PA 146 and continue literacy improvements under science of reading. Funding is transferred from ASL Literacy Resources (\$500,000 GF/GP) and Educator Recruitment and Preparation (\$460,900 GF/GP). (See Item #2 and Item #3 for reductions in funding.)	Gross	\$17,696,000	\$960,900
	Federal	13,175,600	0
	Restricted	602,400	0
	GF/GP	\$3,918,000	\$960,900
	Gross	\$1,000,000	(\$500,000)
2. ASL Literacy Resources	GF/GP	\$1,000,000	(\$500,000)
Reduces by \$500,000 GF/GP for a total of \$500,000 GF/GP to reallocate funds for the science of reading literacy supports. (See Item #1 for increase in funding.)			
3. Educator Recruitment and Preparation	Gross	\$1,675,600	(\$460,900)
Reduces by \$460,900 GF/GP for a total of \$1.2 million GF/GP to reallocate funds for the science of reading literacy supports. (See Item #1 for increase in funding.)	GF/GP	\$1,675,600	(\$460,900)
	FTE	18.0	0.0
4. Office of Systems, Evaluation, and Technology Federal Increase	Gross	\$3,132,900	\$360,900
Increases by \$360,000 federal to reflect increased available federal revenue for the Office of Systems, Evaluation, and Technology.	Federal	1,802,300	360,900
	Restricted	11,000	0
	GF/GP	\$1,319,600	\$0
	FTE	25.0	2.0
5. CTE Pathways to Success	Gross	\$5,668,700	\$342,400
Increases by \$342,400 GF/GP and provides authorization for 2.0 FTE positions to provide administrative support for new career and technical education programs included in the proposed School Aid budget.	Federal	4,099,200	0
	GF/GP	\$1,569,500	\$342,400

Major Budget Changes from FY 2024-25 Year-to-Date (YTD) Appropriations	FY 2024-25 YTD (as of 2/5/25)		Executive Change from YTD
6. Office of Nutrition Services	FTE	82.6	(14.0)
Renames School Support Services Operations to the Office of Nutrition Services. Transfers out \$1.5 million Gross (\$468,900 GF/GP) and authorization for 19.0 FTE positions to the new Office of Health and Safety (See Item #7 for the equivalent increase in funding.). Provides authorization for an additional 5.0 FTE positions to reflect currently available federal funding.	Gross	\$15,969,300	(\$1,465,300)
	Federal	13,127,300	(996,400)
	Restricted	150,000	0
	GF/GP	\$2,692,000	(\$468,900)
7. Office of Health and Safety	FTE	NA	22.0
Transfers in \$1.5 million Gross (\$468,900 GF/GP) and authorization for 19.0 FTE positions from Office of Nutrition Services (formerly School Support Services Operations). Provides authorization for 3.0 additional FTE positions to reflect available federal funding. (See Item #6 for the equivalent reduction in funding.)	Gross	NA	\$1,465,300
	Federal	NA	996,400
	GF/GP	NA	\$468,900
8. Special Education Services Transfer	FTE	47.0	0.0
Transfers in \$200,000 GF/GP from the Michigan Schools for the Deaf and Blind Operations to support staff responsible for statewide special education monitoring activities. (See Item #9 for equivalent reduction in funding.)	Gross	\$9,555,600	\$200,000
	Federal	8,955,700	0
	Private	111,800	0
	Restricted	49,200	0
	GF/GP	438,900	\$200,000
9. Michigan Schools for the Deaf and Blind Transfer	FTE	82.0	0.0
Transfers out \$200,000 GF/GP from the Michigan Schools for the Deaf and Blind Operations to support staff responsible for statewide special education monitoring activities. (See Item #8 for equivalent increase in funding.)	Gross	\$20,064,400	(\$200,000)
	Federal	7,639,400	0
	Local	5,868,500	0
	Private	1,350,400	0
	Restricted	1,206,100	0
	GF/GP	\$4,000,000	(\$200,000)
10. Office of Systems, Evaluation, and Technology FTE Transfer	FTE	18.0	0.0
Transfers in \$153,500 Gross (\$7,600 GF/GP) from the Office of Financial Management to the Office of Systems, Evaluation, and Technology to reallocate resources based on anticipated workload. (Although not included in documents, the Executive expressed intent to transfer authorization for 1.0 FTE position from the Office of Financial Management to the Office of Systems, Evaluation, and Technology. See Item #11 for equivalent reduction in funding.)	Gross	\$3,132,900	\$153,500
	Federal	1,802,300	145,900
	Restricted	11,000	0
	GF/GP	\$1,319,600	\$7,600
11. Office of Financial Management FTE Transfer	FTE	3.0	0.0
Transfers out \$153,500 Gross (\$7,600 GF/GP) from the Office of Financial Management to the Office of Systems, Evaluation, and Technology to reallocate resources based on anticipated workload. (Although not included in documents, the Executive expressed intent to transfer authorization for 1.0 FTE position from the Office of Financial Management to the Office of Systems, Evaluation, and Technology. See Item #10 for equivalent increase in funding.)	Gross	\$2,029,900	(\$153,500)
	Federal	1,822,400	(145,900)
	Restricted	93,700	0
	GF/GP	\$113,800	(\$7,600)
12. School Board Member Training	Gross	\$150,000	\$0
Transfers \$150,000 GF/GP for School Board Member Training out of School Support Services Operations and into a separate line item.	GF/GP	\$150,000	\$0
13. Michigan Poet Laureate	Gross	\$100,000	\$0
Transfers \$100,000 GF/GP for Michigan's Poet Laureate out of Library of Michigan Operations and into a separate line item.	GF/GP	\$100,000	\$0

Major Budget Changes from FY 2024-25 Year-to-Date (YTD) Appropriations	FY 2024-25 YTD (as of 2/5/25)	Executive Change from YTD
14. Removal of FY 2024-25 One-Time Appropriations	FTE	3.0
Removes \$2.0 million GF/GP of one-time funding and authorization for 3.0 FTE positions that were included in the FY 2024-25 budget to support the following:	Gross	\$2,000,000
	GF/GP	\$2,000,000
		(3.0)
		(\$2,000,000)
		(\$2,000,000)
<ul style="list-style-type: none"> Michigan Test for Teacher Certification Reimbursement (\$1.1 million GF/GP) Community Health Worker Career Center (\$150,000 million GF/GP) Mental Health Training (\$250,000 GF/GP) Charter School Transparency Database (\$150,000 GF/GP; 1.0 FTE position) School Infrastructure and Consolidation Administration (\$150,000 GF/GP; 2.0 FTE positions) 		
15. Economic Adjustments	Gross	NA
Reflects increased costs of \$1.2 million Gross (\$483,600 GF/GP) for negotiated salary and wage increases (3.0% on October 1, 2025), actuarially required retirement contributions, worker's compensation, building occupancy charges, rent, and other economic adjustments.	Federal	NA
	Local	NA
	Private	NA
	Restricted	NA
	GF/GP	NA
		\$1,245,200
		664,600
		15,700
		5,300
		76,000
		\$483,600

Major Boilerplate Changes from FY 2024-25

Executive Boilerplate Deletions

In general, the executive budget deletes boilerplate sections included in the FY 2024-25 budget that were initiated by the legislature, including reporting requirements, or sections that express legislative intent. The list below includes major changes to boilerplate but is not a comprehensive list of all sections proposed to be deleted.

- Disciplinary Action (Sec. 206)
- Restricted Funds Report (Sec. 212)
- Records Retention (Sec. 218)
- Report on Policy Changes Made to Implement Public Acts Affecting Department (Sec. 219)
- Expending Available Work Project Authorization (Sec. 222)
- State Fiscal Recovery Funds Reallocation Authorization (Sec. 223)
- Charter School Transparency Database (Sec. 1100)
- Mental Health Training (Sec. 1101)
- Community Health Worker Career Center (Sec. 1102)
- School Infrastructure and Consolidation Administration (Sec. 1103)
- Michigan Test for Teacher Certification Reimbursement (Sec. 1104)

Sec. 201. Total State Spending and State Spending to Local Governments – REVISED

Revises to reflect new appropriation amounts, removal of one-time funding, and the shift of School Board Member Training to a separate line item.

Sec. 504. District Educator Preparation Programs – REVISED

Requires MDE to award funding to districts for educator preparation programming. Revises allocation to reflect reprioritization of funds toward implementation of 2024 PA 146.

Sec. 604. Mental Health Support Services – REVISED

Requires MDE to use funding to provide technical assistance to districts receiving funding under Sec. 31n of the School Aid Act to make them more effective at using Medicaid dollars for mental health. Revises to clarify that technical assistance includes but is not limited to Medicaid claims.