

SENATE BILL No. 331

March 20, 2003, Introduced by Senator CHERRY and referred to the Committee on Appropriations.

EXECUTIVE BUDGET BILL

A bill to make appropriations for the state institutions of higher education and certain state purposes related to education for the fiscal year ending September 30, 2004; to provide for the expenditures of those appropriations; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees, and officers.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this bill, the

1 amounts listed in this part are appropriated for higher education for
 2 the fiscal year ending September 30, 2004, from the funds indicated in
 3 this part. The following is a summary of the appropriations in this
 4 part:

5 **HIGHER EDUCATION**

6 **APPROPRIATIONS SUMMARY:**

7	GROSS APPROPRIATION.....	\$ 1,715,437,000
8	Total interdepartmental grants and	
9	intradepartmental transfers.....	0
10	ADJUSTED GROSS APPROPRIATION.....	\$ 1,715,437,000
11	Federal revenues:	
12	Total federal revenues.....	4,400,000
13	Special revenue funds:	
14	Total local revenues.....	0
15	Total private revenues.....	0
16	Total other state restricted revenues.....	78,350,000
17	State general fund/general purpose.....	\$ 1,632,687,000
18	Sec. 102. CENTRAL MICHIGAN UNIVERSITY	
19	Operations.....	\$ <u>81,003,300</u>
20	GROSS APPROPRIATION.....	\$ 81,003,300
21	Appropriated from:	
22	State general fund/general purpose.....	\$ 81,003,300
23	Sec. 103. EASTERN MICHIGAN UNIVERSITY	
24	Operations.....	\$ <u>78,873,300</u>
25	GROSS APPROPRIATION.....	\$ 78,873,300
26	Appropriated from:	
27	State general fund/general purpose.....	\$ 78,873,300

Sec. 104. FERRIS STATE UNIVERSITY

1	Operations.....	\$ 49,968,200
2	GROSS APPROPRIATION.....	\$ 49,968,200
3	Appropriated from:	
4	State general fund/general purpose.....	\$ 49,968,200
5	Sec. 105. GRAND VALLEY STATE UNIVERSITY	
6	Operations.....	\$ 54,085,800
7	GROSS APPROPRIATION.....	\$ 54,085,800
8	Appropriated from:	
9	State general fund/general purpose.....	\$ 54,085,800
10	Sec. 106. LAKE SUPERIOR STATE UNIVERSITY	
11	Operations.....	\$ 12,841,800
12	GROSS APPROPRIATION.....	\$ 12,841,800
13	Appropriated from:	
14	State general fund/general purpose.....	\$ 12,841,800
15	Sec. 107. MICHIGAN STATE UNIVERSITY	
16	Operations.....	\$ 293,383,700
17	GROSS APPROPRIATION.....	\$ 293,383,700
18	Appropriated from:	
19	State general fund/general purpose.....	\$ 293,383,700
20	Sec. 108. MICHIGAN TECHNOLOGICAL UNIVERSITY	
21	Operations.....	\$ 49,717,400
22	GROSS APPROPRIATION.....	\$ 49,717,400
23	Appropriated from:	
24	State general fund/general purpose.....	\$ 49,717,400
25	Sec. 109. NORTHERN MICHIGAN UNIVERSITY	
26	Operations.....	\$ 46,811,500
27	GROSS APPROPRIATION.....	\$ 46,811,500

1	Appropriated from:	
2	State general fund/general purpose.....	\$ 46,811,500
3	Sec. 110. OAKLAND UNIVERSITY	
4	Operations.....	<u>\$ 47,146,100</u>
5	GROSS APPROPRIATION.....	\$ 47,146,100
6	Appropriated from:	
7	State general fund/general purpose.....	\$ 47,146,100
8	Sec. 111. SAGINAW VALLEY STATE UNIVERSITY	
9	Operations.....	<u>\$ 24,653,900</u>
10	GROSS APPROPRIATION.....	\$ 24,653,900
11	Appropriated from:	
12	State general fund/general purpose.....	\$ 24,653,900
13	Sec. 112. UNIVERSITY OF MICHIGAN - ANN ARBOR	
14	Operations.....	<u>\$ 327,206,100</u>
15	GROSS APPROPRIATION.....	\$ 327,206,100
16	Appropriated from:	
17	State general fund/general purpose.....	\$ 327,206,100
18	Sec. 113. UNIVERSITY OF MICHIGAN - DEARBORN	
19	Operations.....	<u>\$ 25,193,900</u>
20	GROSS APPROPRIATION.....	\$ 25,193,900
21	Appropriated from:	
22	State general fund/general purpose.....	\$ 25,193,900
23	Sec. 114. UNIVERSITY OF MICHIGAN - FLINT	
24	Operations.....	<u>\$ 21,661,300</u>
25	GROSS APPROPRIATION.....	\$ 21,661,300
26	Appropriated from:	
27	State general fund/general purpose.....	\$ 21,661,300

1	Sec. 115. WAYNE STATE UNIVERSITY	
2	Operations.....	\$ 228,279,900
3	GROSS APPROPRIATION	\$ 228,279,900
4	Appropriated from:	
5	State general fund/general purpose.....	\$ 228,279,900
6	Sec. 116. WESTERN MICHIGAN UNIVERSITY	
7	Operations.....	\$ 113,109,300
8	GROSS APPROPRIATION	\$ 113,109,300
9	Appropriated from:	
10	State general fund/general purpose.....	\$ 113,109,300
11	Sec. 117. STATE AND REGIONAL PROGRAMS	
12	Agricultural experiment station.....	\$ 33,163,800
13	Cooperative extension service.....	28,604,300
14	Higher education database.....	<u>200,000</u>
15	GROSS APPROPRIATION.....	\$ 61,968,100
16	Appropriated from:	
17	State general fund/general purpose.....	\$ 61,968,100
18	Sec. 118. MARTIN LUTHER KING, JR. - CESAR CHAVEZ -	
19	ROSA PARKS PROGRAM	
20	Select student supportive services.....	\$ 1,956,100
21	Michigan college/university partnership program.....	586,800
22	Morris Hood, Jr. educator development program.....	<u>148,600</u>
23	GROSS APPROPRIATION.....	\$ 2,691,500
24	Appropriated from:	
25	State general fund/general purpose.....	\$ 2,691,500
26	Sec. 119. GRANTS AND FINANCIAL AID	
27	Michigan opportunity scholarships.....	\$ 112,444,900

1	Dental clinics grant.....	4,547,000
2	Robert C. Byrd honors scholarship program.....	1,500,000
3	Nursing scholarship program.....	4,000,000
4	Michigan merit award program.....	65,100,000
5	Tuition incentive program.....	<u>9,250,000</u>
6	GROSS APPROPRIATION.....	\$ 196,841,900
7	Appropriated from:	
8	Federal revenues:	
9	Higher education act of 1965, title IV, 20 U.S.C.	2,900,000
10	Higher education act of 1965, title IV, part A.....	1,500,000
11	Special revenue funds:	
12	Michigan merit award trust fund.....	78,350,000
13	State general fund/general purpose.....	\$ 114,091,900

14 PART 2

15 PROVISIONS CONCERNING APPROPRIATIONS

16 **GENERAL SECTIONS**

17 Sec. 201. Pursuant to section 30 of article IX of the state
 18 constitution of 1963, total state spending from state resources under
 19 part 1 for fiscal year 2003-2004 is \$1,711,037,000.00 and state
 20 spending from state resources to be paid to units of local government
 21 for fiscal year 2003-2004 is \$0.00.

22 Sec. 202. The appropriations authorized under this bill are subject
 23 to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

24 Sec. 203. Unless otherwise specified, the institutions of higher
 25 education receiving appropriations in part 1 shall use the Internet to
 26 fulfill the reporting requirements of this bill. This requirement may
 27 include transmission of reports via electronic mail to the recipients

1 identified for each reporting requirement, or it may include placement
2 of reports on an Internet or Intranet site.

3 Sec. 204. (1) The funds appropriated in part 1 to state institutions
4 of higher education shall be paid out of the state treasury and
5 distributed by the state treasurer to the respective institutions in 11
6 equal monthly installments on the sixteenth of each month, or the next
7 succeeding business day, beginning with October 16, 2003. Except for
8 Wayne State University, each institution shall accrue its July and
9 August 2004 payments to its institutional fiscal year ending June 30,
10 2004.

11 (2) All universities shall submit higher education institutional
12 data inventory (HEIDI) data and associated financial and program
13 information requested by and in a manner prescribed by the state budget
14 director. For universities with fiscal years ending June 30, 2003,
15 these data shall be submitted to the state budget director by October
16 15, 2003. Universities with a fiscal year ending September 30, 2003
17 shall submit preliminary HEIDI data by November 15, 2003 and final data
18 by December 15, 2003. If a university fails to submit HEIDI data and
19 associated financial aid program information in accordance with this
20 reporting schedule, the state treasurer shall withhold the monthly
21 installments under subsection (1) to the university until those data
22 are submitted.

23 Sec. 205. Funds received by the state from the federal government or
24 private sources for the use of a college or university are appropriated
25 for the purposes for which they are provided. The acceptance and use
26 of federal or private funds does not place an obligation upon the
27 legislature to continue the purposes for which the funds are made

1 available.

2 Sec. 206. A state institution of higher education that receives
3 funds under this bill shall furnish all program and financial
4 information that is required by and in a manner prescribed by the state
5 budget director or the house or senate appropriations committees.

6 **GRANTS AND FINANCIAL AID**

7 Sec. 301. (1) Included in the appropriation in part 1 is funding for
8 the Michigan opportunity scholarships program which shall be
9 established and administered by the Michigan higher education
10 assistance authority.

11 (2) The Michigan higher education assistance authority shall
12 utilize Michigan opportunity scholarships program funding to continue
13 awards to all students who received awards in the fiscal year ending
14 September 30, 2003, under the competitive scholarship program pursuant
15 to 1964 PA 208, MCL 390.971 to 390.981 and the tuition grant program
16 pursuant to 1966 PA 313, MCL 390.991 to 390.997a and who remain
17 eligible under those former programs.

18 (3) The remaining Michigan opportunity scholarships program funds
19 shall be paid by the Michigan higher education assistance authority to
20 financially needy Michigan students attending a Michigan public or
21 independent college or university. The Michigan higher education
22 assistance authority shall determine the application process, the needs
23 analysis criteria for students to qualify for an award, and the annual
24 maximum award amount under the Michigan opportunity scholarships
25 program.

26 (4) The Michigan higher education assistance authority shall
27 determine an actual maximum Michigan opportunity scholarships program

1 award per student that ensures that the aggregate payments do not
2 exceed the appropriation contained in part 1 for the Michigan
3 opportunity scholarships program. By December 15, 2003, and again by
4 February 1, 2004 the authority shall analyze the status of award
5 commitments, shall make any necessary adjustments, and shall confirm
6 that those award commitments will not exceed the appropriation
7 contained in part 1 for the Michigan opportunity scholarships program.
8 The determination and actions shall be reported to the state budget
9 director and the house and senate fiscal agencies no later than
10 February 15, 2004. If award adjustments are necessary, the students
11 shall be notified of the adjustment by the third Monday in February.

12 (5) When statutory provisions are enacted to provide for the
13 Michigan opportunity scholarships program, the provisions of
14 subsections 2 and 3 are superseded.

15 Sec. 302. From the funds appropriated in part 1, the Michigan higher
16 education assistance authority shall establish and administer the
17 nursing scholarship program pursuant to 2002 PA 591, MCL 390.1181 TO
18 390.1189.

19 Sec. 303. (1) The funds appropriated in part 1 for the tuition
20 incentive program/high school completion program shall be distributed
21 as provided in this section and pursuant to the administrative
22 procedures for the tuition incentive program/high school completion
23 program of the department of treasury.

24 (2) As used in this section:

25 (a) "Phase I" means the first part of the tuition incentive
26 assistance program defined as the academic period of 80 semester or 120
27 term credits, or less, leading to an associate degree or certificate.

1 (b) "Phase II" means the second part of the tuition incentive
2 assistance program which provides assistance in the third and fourth
3 year of 4-year degree programs.

4 (c) "Department" means the department of treasury.

5 (3) A person shall meet the following basic criteria and
6 financial thresholds to be eligible for tuition incentive benefits:

7 (a) To be eligible for phase I, a person shall meet all of the
8 following criteria:

9 (i) Apply for certification to the department before graduating
10 from high school or completing the general education development (GED)
11 certificate.

12 (ii) Be less than 20 years of age at the time of high school
13 graduation or GED completion.

14 (iii) Be a United States citizen and a resident of Michigan
15 according to institutional criteria.

16 (iv) Be at least a half-time student, earning less than 80
17 semester or 120 term credits at a participating educational institution
18 within 4 years of high school graduation or GED certificate completion.

19 (b) To be eligible for phase II, a person shall meet either of
20 the following criteria in addition to the criteria in subdivision (a):

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

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

25 (c) To be eligible for phase I or phase II, a person must be
26 financially eligible as determined by the department. A person is
27 financially eligible for the tuition incentive program if that person

1 was Medicaid eligible for 24 months within the 36 months before
2 application. Certification of eligibility may begin in the sixth grade
3 and continue until the time of enrollment in a participating
4 institution.

5 (4) For phase I, the department shall provide payment on behalf
6 of a person eligible under subsection (3). The department shall reject
7 billings that are excessive or outside the guidelines for the type of
8 educational institution.

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

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

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

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

21 (d) For persons enrolled at a Michigan independent, nonprofit
22 degree granting college or university, or a Michigan federal tribally
23 controlled community college, or Focus: HOPE, the department shall pay
24 mandatory fees for the current year and a per-credit payment that does
25 not exceed the average community college in-district per-credit tuition
26 rate as reported on August 1, for the immediately preceding academic
27 year.

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

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

6 (b) The tuition reimbursement is for coursework completed within
7 30 months of completion of the phase I requirements.

8 (7) Program payments shall not be used by any recipient for
9 theology or divinity courses.

10 (8) The department shall work closely with participating
11 institutions to develop an application and eligibility determination
12 process that will provide the highest level of participation and ensure
13 that all requirements of the program are met.

14 (9) New application approvals for the tuition incentive program
15 shall not be made after September 30, 2003. If a determination of
16 financial eligibility is made prior to September 30, 2003, that
17 determination is valid as long as the student meets all other program
18 requirements and conditions.

19 (10) Each institution shall ensure that all known available
20 restricted grants for tuition and fees are used prior to billing the
21 tuition incentive program for any portion of a student's tuition and
22 fees.

23 (11) The department shall ensure that the tuition incentive
24 program is well publicized to students who received notification of the
25 program prior to September 30, 2003, and were determined to be
26 financially eligible. The department shall provide the necessary
27 funding and staff to fully operate the program.

1 (12) Any unexpended and unencumbered funds remaining on September
2 30, 2004 from the amounts appropriated in part 1 for the tuition
3 incentive program shall not lapse on September 30, 2004, but shall
4 continue to be available for expenditure for the tuition incentive
5 program in the fiscal year ending September 30, 2005.

6 Sec. 304. The sums appropriated in part 1 for the student financial
7 aid programs shall be paid out of the state treasury and shall be
8 distributed to the respective institutions as follows:

9 (a) For the Michigan opportunity scholarships, nursing
10 scholarship, and tuition incentive programs, 40% shall be paid at the
11 beginning of the state's first fiscal quarter, 40% at the beginning of
12 the state's second fiscal quarter, 10% at the beginning of the state's
13 third fiscal quarter, and 10% at the beginning of the state's fourth
14 fiscal quarter.

15 (b) For the dental clinic grant and Robert C. Byrd honors
16 scholarship program, 50% shall be paid at the beginning of the state's
17 first fiscal quarter and 50% at the beginning of the state's second
18 fiscal quarter.

19 Sec. 305. The sums appropriated in part 1 for the Michigan merit
20 award program are payable for qualifying students from the high school
21 graduating classes of 2000 through 2003. Students from high school
22 graduating classes beginning with the graduating class of 2004 shall be
23 paid from the state fiscal year appropriation for the Michigan merit
24 award program that begins in the academic year for which the student
25 requests payment.

26 Sec. 306. The auditor general may audit selected enrollments,
27 degrees, and awards at selected independent colleges and universities

1 receiving awards administered by the department of treasury. The
2 audits shall be based upon definitions and requirements established by
3 the Michigan higher education assistance authority, the state budget
4 director, and the senate and house fiscal agencies. The auditor
5 general shall accept the Free Application for Federal Student Aid
6 (FAFSA) form as the standard of residency documentation. The auditor
7 general shall submit a report of findings to the senate and house
8 appropriations committees and state budget director by May 1, 2004.

9 Sec. 307. To enable the legislature and the state budget director to
10 evaluate the appropriation needs of higher education, each independent
11 college and university shall make available to the legislature or state
12 budget director, upon request, data regarding grants for the preceding,
13 current, and ensuing fiscal years.

14 Sec. 308. Included in part 1 is funding for the dental clinic grant.
15 This appropriation is for the University of Detroit Mercy to support
16 dental clinical services provided by its school of dentistry to low
17 income residents in southeastern Michigan.

18 STATE UNIVERSITIES

19 Sec. 401. (1) Included in part 1 is \$5,720,400.00 to Wayne State
20 University for the Joseph F. Young, Sr. psychiatric research and
21 training program. Wayne State University shall use these funds for
22 psychiatric laboratory and clinical research, training, and treatment
23 services. Within the available appropriation, services shall not be
24 denied to any patient who meets established research guidelines for
25 treatment on the basis of personal financial circumstances, age,
26 geographic residence, or projected/actual length of treatment as
27 medically warranted.

1 (2) Wayne State University shall report the following information
2 to the department of community health by November 1, 2004:

3 (a) The number and type of psychiatric research projects funded
4 by the appropriation described in subsection (1).

5 (b) The number and type of students trained and the location of
6 training funded by the appropriation.

7 (c) Demographic data regarding the number and profile of patients
8 to receive psychiatric services funded by the appropriation and a
9 profile of the services provided.

10 (d) A summary budget outlining major expenditure categories and
11 any first- and third-party reimbursements.

12 (3) Copies of these reports shall also be provided to the house
13 and senate fiscal agencies and the state budget director.

14 Sec. 402. (1) There is created the higher education institutional
15 data inventory advisory committee. The committee shall be appointed by
16 the state budget director and shall consist of the following members:

17 (a) One representative from the house fiscal agency.

18 (b) One representative from the senate fiscal agency.

19 (c) One representative from the state budget director's office.

20 (d) Three representatives of the presidents council of state
21 universities. The presidents council shall appoint 1 representative
22 each from a masters, a doctoral, and a research university.

23 (2) The committee shall be responsible for maintaining and
24 enhancing the state higher education database for which funding is
25 included in part 1.

26 Sec. 403. The amounts included in part 1 for public universities
27 recognize 4 separate university groupings. Funding floors for the 4

1 groupings are established as follows:

2 (a) Funding floor of \$4,600.00 per fiscal-year-equated student
3 for Eastern Michigan University, Ferris State University, Grand Valley
4 State University, Lake Superior State University, Northern Michigan
5 University, Saginaw Valley State University, and the University of
6 Michigan-Flint.

7 (b) Funding floor of \$4,800.00 per fiscal-year-equated student
8 for Central Michigan University, Oakland University, and the University
9 of Michigan-Dearborn.

10 (c) Funding floor of \$5,800.00 per fiscal-year-equated student
11 for Michigan Technological University and Western Michigan University.

12 (d) Funding floor of \$9,100.00 per fiscal-year-equated student
13 for Michigan State University, the University of Michigan-Ann Arbor,
14 and Wayne State University.

15 Sec. 404. The appropriations in part 1 for Michigan's 15 public
16 universities are intended to maintain the access and affordability to
17 these institutions for students and parents. As a condition to
18 receiving the appropriations in part 1, public universities shall adopt
19 reasonable tuition and fee increases for the 2003-2004 academic year.

20 Sec. 405. (1) Central Michigan University shall report by September
21 30, 2004 to the state budget director, house and senate appropriations
22 committees, and the house and senate fiscal agencies information on the
23 activities and effectiveness of the national charter schools institute
24 for which an appropriation is provided in part 1. Included in the
25 report shall be an accounting of all revenues and expenditures of the
26 institute, the names of the public school academies served, and the
27 type of assistance provided to each public school academy.

1 (2) All funds received under part 1 for the national charter
2 schools institute are intended to be expended on activities of that
3 institute.

4 Sec. 406. (1) Included in part 1 is \$2,953,400.00 for the
5 agricultural experiment station and \$2,619,000.00 for the cooperative
6 extension service for project GREEN. Project GREEN is intended to
7 address critical regulatory, food safety, economic, and environmental
8 problems faced by this state's plant-based agriculture, forestry, and
9 processing industries. "GREEN" is an acronym for generating research
10 and extension to meet environmental and economic needs.

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

14 (3) Not later than September 30, 2004, a report shall be
15 submitted by Michigan State University to the state budget director,
16 the house and senate appropriations subcommittees on agriculture and on
17 higher education, and the house and senate fiscal agencies for the
18 preceding fiscal year regarding project GREEN projects. The report
19 shall include, but is not limited to, the dollar amount of each project
20 and a review of each project's performance and accomplishments.

21 **MARTIN LUTHER KING, JR. -CESAR CHAVEZ-ROSA PARKS PROGRAMS**

22 Sec. 501. (1) Included in the appropriation for each public
23 university in part 1 is funding for the Martin Luther King, Jr.-Cesar
24 Chavez-Rosa Parks future faculty program, that is intended to increase
25 the pool of minority candidates pursuing faculty teaching careers in
26 postsecondary education. Each university shall apply the percentage
27 increase applicable to every university in the calculation of

1 appropriations in part 1 to the amount of funds allocated to the future
2 faculty program.

3 (2) The program shall be administered by each university in a
4 manner prescribed by the Michigan department of career development.
5 The Michigan department of career development shall use a good faith
6 effort standard to evaluate whether a fellowship is in default.

7 Sec. 502. (1) Included in the appropriation for each public
8 university in part 1 is funding for the Martin Luther King, Jr.-Cesar
9 Chavez-Rosa Parks college day program that is intended to introduce
10 schoolchildren underrepresented in postsecondary education to the
11 potential of a college education.

12 (2) Individual program plans of each university shall include a
13 budget of equal contributions from this program, the participating
14 public university, the participating school district, and the
15 participating independent degree granting college. College day funds
16 shall not be expended to cover indirect costs. Not more than 20% of
17 the university match shall be attributable to indirect costs. Each
18 university shall apply the percentage increase applicable to every
19 university in the calculation of appropriations in part 1 to the amount
20 of funds allocated to the college day program.

21 (3) The program shall be administered by each university in a
22 manner prescribed by the Michigan department of career development.

23 Sec. 503. (1) Included in part 1 is funding for the Martin Luther
24 King, Jr.-Cesar Chavez-Rosa Parks select student support services
25 program for developing academically and economically disadvantaged
26 student retention programs for 4-year public and independent
27 educational institutions in this state.

1 (2) An award made under this program to any 1 institution shall
2 not be greater than \$150,000.00, and the amount awarded shall be
3 matched on a 70% state, 30% college or university basis.

4 (3) The program shall be administered by the Michigan department
5 of career development.

6 Sec. 504. (1) Included in part 1 is funding for the Martin Luther
7 King, Jr.-Cesar Chavez-Rosa Parks college/university partnership
8 program between 4-year public and independent colleges and universities
9 and public community colleges, which is intended to increase the number
10 of academically and economically disadvantaged students who transfer
11 from community colleges into baccalaureate programs.

12 (2) The grants shall be made under this program to Michigan
13 public and independent colleges and universities. An award to any 1
14 institution shall not be greater than \$150,000.00, and the amount
15 awarded shall be matched on a 70% state, 30% college or university
16 basis.

17 (3) The program shall be administered by the Michigan department
18 of career development.

19 Sec. 505. (1) Included in the appropriation for each public
20 university in part 1 is funding for the Martin Luther King, Jr.-Cesar
21 Chavez-Rosa Parks visiting professors program which is intended to
22 increase the number of underrepresented minority instructors in the
23 classroom and provide role models for underrepresented minority
24 students.

25 (2) The program shall be administered by the Michigan department
26 of career development.

27 Sec. 506. (1) Included in the appropriation in part 1 is funding

1 under the Martin Luther King, Jr.-Cesar Chavez-Rosa Parks initiative
2 for the Morris Hood, Jr. educator development program which is intended
3 to increase the number of minority students, especially males, who
4 enroll in and complete K-12 teacher education programs at the
5 baccalaureate level.

6 (2) The program shall be administered by each state-approved
7 teacher education institution in a manner prescribed by the Michigan
8 department of career development.

9 (3) Approved teacher education institutions may and are
10 encouraged to use student support services funding in coordination with
11 the Morris Hood, Jr. funding to achieve the goals of the program.

12 Sec. 507. Each state institution of higher education receiving funds
13 under section 503, 504, or 506 shall notify the Michigan department of
14 career development by April 15, 2004 as to whether it will expend by
15 the end of its fiscal year the funds received under section 503, 504,
16 or 506. Notwith- standing the award limitations in sections 503 and
17 504, the amount of funding reported as not being expended will be
18 reallocated to the institutions that intend to expend all funding
19 received under section 503, 504, or 506.

20 **STUDENT PERFORMANCE REPORTING**

21 Sec. 601. (1) From the amount appropriated in part 1 for state
22 universities, the state universities shall systematically inform
23 Michigan high schools regarding the academic status of students from
24 each high school in a manner prescribed by the presidents council,
25 state universities of Michigan in cooperation with the Michigan
26 association of secondary school principals.

27 (2) The Michigan high schools shall systematically inform the

1 state universities about the use of information received under this
2 section in a manner prescribed by the Michigan association of secondary
3 school principals in cooperation with the presidents council, state
4 universities of Michigan.

5 Sec. 602. From the amount appropriated in part 1 for state
6 universities, the state universities shall inform Michigan community
7 colleges regarding the academic status of community college transfer
8 students in a manner prescribed by the presidents council, state
9 universities of Michigan in cooperation with the Michigan community
10 college association.

11 **GENERAL REPORTS AND AUDITS**

12 Sec. 701. (1) The auditor general shall review higher education
13 institutional data inventory (HEIDI) enrollment data submitted by all
14 public universities and may perform audits of selected public
15 universities if determined necessary. The review and audits shall be
16 based upon the definitions, requirements, and uniform reporting
17 categories established by the state budget director and the senate and
18 house fiscal agencies. The auditor general shall submit a report of
19 findings to the house and senate appropriations committees and the
20 state budget director no later than July 1, 2004.

21 (2) Student credit hours reports shall not include the following:

22 (a) Student credit hours generated through correspondence
23 courses, credit by examination, or inmate prison programs regardless of
24 teaching location.

25 (b) Student credit hours generated in new degree programs after
26 January 1, 1975, that have not been specifically authorized for funding
27 by the legislature, except spin-off programs converted from existing

1 core programs that do all of the following:

2 (i) Represent new options, fields, or concentrations within
3 existing programs.

4 (ii) Are consistent with the current institutional role and
5 mission.

6 (iii) Are accommodated within the continuing funding base of the
7 institution.

8 (iv) Do not require a new degree level beyond that which the
9 institution is currently authorized to grant within that discipline or
10 field.

11 (v) Do not require funding from the state other than that
12 provided by the student credit hours generated within the program,
13 either before program initiation or within the first 3 years of program
14 operation.

15 (3) The auditor general shall periodically audit higher education
16 institutional data inventory (HEIDI) data as submitted by the state
17 universities for compliance with the definitions approved by the HEIDI
18 advisory committee for the HEIDI database.

19 Sec. 702. The principal executive officer of each institution of
20 higher education receiving an appropriation under this bill shall
21 expend a portion of the funds appropriated to that institution to make
22 a report to the auditor general, the house and senate fiscal agencies,
23 and the state budget director within 60 days after the auditor general
24 issues his or her report on the operation of the institution. The
25 institution's report shall specify all of the following:

26 (a) The recommendations of the auditor general implemented by the
27 institution, including projected dates and resources required, if any,

1 to achieve compliance.

2 (b) The recommendations of the auditor general not implemented by
3 the institution or implemented by the institution as modified.

4 (c) The rationale for not implementing a recommendation of the
5 auditor general or of implementing a recommendation as modified.

6 Sec. 703. The auditor general may conduct performance audits of
7 state universities during the fiscal year ending September 30, 2004 as
8 the auditor general considers necessary.

9 Sec. 704. An institution receiving funds under this bill and also
10 subject to the student right-to-know and campus security act, Public
11 Law 101-522, 104 Stat. 2381, shall make a copy of all material prepared
12 pursuant to the public information reporting requirements under the
13 crime awareness and campus security act of 1990, title II of the
14 student right-to-know and campus security act, Public Law 101-542, 104
15 Stat. 2381 available in electronic Internet format on their websites.