



Senate Fiscal Agency
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FY 2006-07 Year-to-Date Gross Appropriation	\$13,008,200,100
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Changes from FY 2006-07 Year-to-Date:

Items Included by the House and Senate

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| 1. Pupil/Taxable Value Cost Adjustments. The Senate and House included a foundation allowance cost adjustment due to lower pupils and higher taxable values. | (192,700,000) |
| 2. Refinancing of School Bond Loan Fund (SBLF) Debt Service. The Senate and House agreed with savings due to the refinancing of SBLF debt service. | (40,600,000) |
| 3. Repeal of Middle School Math and Conductive Learning Center Study. The Senate and House agreed to the repeal of MS Math (\$20.0 million) and the study (\$250,000). | (20,250,000) |
| 4. Economic Adjustments. The Senate and House agreed with proposed economic adjustments to a number of programs that were in other budget areas prior to FY 2006-07. | 280,400 |

Conference Agreement on Items of Difference

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| 5. Basic Foundation Allowance/New Formula. The Conference Report set a new basic foundation allowance at \$8,433 per pupil, providing a \$48 per pupil increase to every district at or above \$8,385 in FY 2006-07, and a \$96 increase for those districts or public school academies (PSAs) at \$7,108 in FY 2006-07. Those districts and PSAs in between would receive an increase between \$48 and \$96 per pupil; PSAs from this point forth are put into the same foundation allowance formula as local districts, with the goal to be that all districts and PSAs under \$8,385 catch up to that new basic over time. | 136,000,000 |
| 6. Special Education. The Conference Report included an increase of \$34.5 million for mandated costs of special education programs and transportation. | 34,500,000 |
| 7. Federal Funds. The Conference Report included a gross Federal Funds increase of \$68,089,400, of which \$28.5 million stems from the transfer of Career and Technical Education funding from the Dept. of Labor & Economic Growth to the Dept. of Education. | 68,089,400 |
| 8. MEAP Funding. The Conference Report increased State funding for MEAP and Merit Exam assessments by \$5.9 million, but eliminated funds for end-of-course assessments. | 5,900,000 |
| 9. Early Childhood Funding Increases. The Conference Report included funding to pay for a \$100 per-pupil increase in School Readiness Funding (\$2.7 million), a \$750,000 increase to the Early Childhood Investment Corporation, and a \$375,000 increase for Interagency Early Childhood Grants to prevent abuse and neglect. | 3,825,000 |
| 10. New Transportation, Pilot Projects, and One-Time Grants. The Conference Report included \$2.75 million for various school district pilot project grants and one-time subsidies, and \$1.275 million for new transportation grants to large, rural districts. | 4,025,000 |
| 11. MEAP Practice Assessments (MVHS). The Conference Report eliminated \$500,000 funding of MEAP practice assessments offered at the MI Virtual High School. | (500,000) |
| 12. Other Changes. The Conference Report included \$79,100 for support of a study of school readiness; ISDs received a 1% increase (\$801,100); FIRST Robotics was repealed (\$150,000); and Renaissance Zones cost declined (\$200,000). | 530,200 |

Total Changes	(\$900,000)
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FY 2007-08 Conference Report Gross Appropriation	\$13,007,300,100
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Amount Over/(Under) GF/GP Target: \$	(\$90,400)
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Changes from FY 2006-07 Year to Date:Items Included by the House and Senate

1. **Various Pupil Definitions.** The Senate and House agreed upon various technical amendments to the definition of membership pupils. (Sec. 6)
2. **Early Intervening.** The Senate and House agreed to maintain current law as it pertains to allowing *Durant* cash payments and At-Risk funds to be used for Early Intervening programs. (Sections 11f and 31a)

Conference Agreement on Items of Difference

3. **Proration Language.** The Conference Report did not include Senate language setting a timeframe for when the budget director must issue a proration letter, in the event of a funding shortfall. (Sec. 11)
4. **New Foundation Allowance Formula.** The Conference Report included a new formula that modified the formula in place in the years immediately after Proposal A, that gave larger dollar increases to those districts below the basic foundation allowance than to those at or above the basic. A new basic was set at \$8,433 for FY 2007-08. (Sec. 20)
5. **District Reports.** The Conference Report modified two Senate reporting requirements: the first required districts to report detailed financial information (this was moved to Section 18), and the second required the use of common software among districts within an ISD (this was changed to "encouraged"). (Sec. 22b)
6. **Early Childhood Funding Intent Language.** The Conference Report added a new section stating that if at the January 2008 revenue estimating conference revenues are higher than previously estimated, it's the intent of the legislature to increase funding in various early childhood sections: 32b, 32c, 32d, and 32l. (Sec. 32)
7. **Early Childhood Investment Corporation Committee Members.** The Conference Report concurred with the Senate to retain current-year language on the makeup of the ECIC committee. (Sec. 32b)
8. **School Readiness.** The Conference Report added new language capping the amount of School Readiness funds that could be spent on programs like Parental Involvement and Education to the amount spent on those programs in FY 2006-07. Also, the per-pupil allocation was increased from \$3,300 to \$3,400. (Sec. 32d and Sec. 29)
9. **Intermediate School District Early Intervening.** The Conference Report added a new section allowing intermediate school districts to use their Section 81 (operational) funding to develop, implement, or support early intervening programs. (Sec. 82)
10. **Various School District Pilot Projects and One-Time Subsidies.** The Conference Report added three new sections of boilerplate allocating funds to various projects and subsidies, as follows: \$300,000 to Pontiac Schools for a crisis intervention program (Sec. 99i); \$350,000 to Grosse Pointe and \$150,000 to Harper Woods for demonstration projects in math/science and for academically talented programs (Sec. 99j); \$900,000 to Redford Union, \$400,000 to Chippewa Valley, \$400,000 to Pontiac Schools, and \$250,000 to Clintondale for funding related to school district deficits or deficit millages (Sec. 99k).

Date Completed: 10-29-07

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