

SENATE BILL No. 1188

EXECUTIVE BUDGET BILL

March 3, 2010, Introduced by Senator SWITALSKI and referred to the Committee on Appropriations.

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, 2011; 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 amounts listed in this part are appropriated for higher education for the fiscal year ending September 30, 2011, from the funds indicated in this part.

1 **HIGHER EDUCATION**

2 APPROPRIATION SUMMARY

3 Full-time equated classified positions..... 1.0

4 GROSS APPROPRIATION..... \$ 1,578,278,500

5 Interdepartmental grant revenues:

6 Total interdepartmental grants and intradepartmental

7 transfers 0

8 ADJUSTED GROSS APPROPRIATION..... \$

9 Federal revenues:

10 Total federal revenues..... 4,500,000

11 Special revenue funds:

12 Total local revenues..... 0

13 Total private revenues..... 0

14 Total other state restricted revenues..... 30,400,000

15 State general fund/general purpose..... \$ 1,543,378,500

16 **SUBPART A - RESEARCH UNIVERSITIES**

17 **Sec. 102. MICHIGAN STATE UNIVERSITY**

18 Operations..... \$ 291,841,700

19 Agricultural experiment station..... 34,198,900

20 Cooperative extension service..... 29,497,000

21 GROSS APPROPRIATION..... \$ 355,537,600

22 Appropriated from:

23 State general fund/general purpose..... \$ 355,537,600

24 **Sec. 103. UNIVERSITY OF MICHIGAN - ANN ARBOR**

25 Operations..... \$ 325,347,400

1	GROSS APPROPRIATION.....	\$	325,347,400
2	Appropriated from:		
3	State general fund/general purpose.....	\$	325,347,400
4	Sec. 104. WAYNE STATE UNIVERSITY		
5	Operations.....	\$	<u>220,329,200</u>
6	GROSS APPROPRIATION.....	\$	220,329,200
7	Appropriated from:		
8	State general fund/general purpose.....	\$	220,329,200

9 **SUBPART B - STATE UNIVERSITIES**

10	Sec. 105. CENTRAL MICHIGAN UNIVERSITY		
11	Operations.....	\$	<u>82,436,000</u>
12	GROSS APPROPRIATION.....	\$	82,436,000
13	Appropriated from:		
14	State general fund/general purpose.....	\$	82,436,000
15	Sec. 106. EASTERN MICHIGAN UNIVERSITY		
16	Operations.....	\$	<u>78,212,100</u>
17	GROSS APPROPRIATION.....	\$	78,212,100
18	Appropriated from:		
19	State general fund/general purpose.....	\$	78,212,100
20	Sec. 107. FERRIS STATE UNIVERSITY		
21	Operations.....	\$	<u>50,017,100</u>
22	GROSS APPROPRIATION.....	\$	50,017,100
23	Appropriated from:		
24	State general fund/general purpose.....	\$	50,017,100
25	Sec. 108. GRAND VALLEY STATE UNIVERSITY		

1	Operations.....	\$ <u>63,758,300</u>
2	GROSS APPROPRIATION.....	\$ 63,758,300
3	Appropriated from:	
4	State general fund/general purpose.....	\$ 63,758,300
5	Sec. 109. LAKE SUPERIOR STATE UNIVERSITY	
6	Operations.....	\$ <u>13,059,200</u>
7	GROSS APPROPRIATION.....	\$ 13,059,200
8	Appropriated from:	
9	State general fund/general purpose.....	\$ 13,059,200
10	Sec. 110. MICHIGAN TECHNOLOGICAL UNIVERSITY	
11	Operations.....	\$ <u>49,302,100</u>
12	GROSS APPROPRIATION.....	\$ 49,302,100
13	Appropriated from:	
14	State general fund/general purpose.....	\$ 49,302,100
15	Sec. 111. NORTHERN MICHIGAN UNIVERSITY	
16	Operations.....	\$ <u>46,438,200</u>
17	GROSS APPROPRIATION.....	\$ 46,438,200
18	Appropriated from:	
19	State general fund/general purpose.....	\$ 46,438,200
20	Sec. 112. OAKLAND UNIVERSITY	
21	Operations.....	\$ <u>52,220,800</u>
22	GROSS APPROPRIATION.....	\$ 52,220,800
23	Appropriated from:	
24	State general fund/general purpose.....	\$ 52,220,800
25	Sec. 113. SAGINAW VALLEY STATE UNIVERSITY	
26	Operations.....	\$ <u>28,517,700</u>
27	GROSS APPROPRIATION.....	\$ 28,517,700

1	Appropriated from:	
2	State general fund/general purpose	\$ 28,517,700
3	Sec. 114. UNIVERSITY OF MICHIGAN - DEARBORN	
4	Operations	\$ <u>25,437,100</u>
5	GROSS APPROPRIATION	\$ 25,437,100
6	Appropriated from:	
7	State general fund/general purpose	\$ 25,437,100
8	Sec. 115. UNIVERSITY OF MICHIGAN - FLINT	
9	Operations	\$ <u>21,498,900</u>
10	GROSS APPROPRIATION	\$ 21,498,900
11	Appropriated from:	
12	State general fund/general purpose	\$ 21,498,900
13	Sec. 116. WESTERN MICHIGAN UNIVERSITY	
14	Operations	\$ <u>112,766,800</u>
15	GROSS APPROPRIATION	\$ 112,766,800
16	Appropriated from:	
17	State general fund/general purpose	\$ 112,766,800
18	SUBPART C - GRANTS AND FINANCIAL AID	
19	Sec. 117. STATE AND REGIONAL PROGRAMS	
20	Full-time equated positions	1.0
21	Higher education database modernization and	
22	conversion--1.0 FTE position	\$ 105,000
23	Midwestern higher education compact	<u>95,000</u>
24	GROSS APPROPRIATION	\$ 200,000
25	Appropriated from:	

1	State general fund/general purpose	\$	200,000
2	Sec. 118. MARTIN LUTHER KING, JR. - CESAR CHAVEZ -		
3	ROSA PARKS PROGRAM		
4	Select student support services	\$	1,956,100
5	Michigan college/university partnership program		586,800
6	Morris Hood, Jr. educator development program		<u>148,600</u>
7	GROSS APPROPRIATION	\$	2,691,500
8	Appropriated from:		
9	State general fund/general purpose	\$	2,691,500
10	Sec. 119. GRANTS AND FINANCIAL AID		
11	State competitive scholarships	\$	16,208,500
12	Robert C. Byrd honors scholarship program		1,500,000
13	Tuition incentive program		30,100,000
14	Children of veterans and officer's survivor		
15	tuition programs		1,200,000
16	Project gear-up		<u>1,500,000</u>
17	GROSS APPROPRIATION	\$	50,508,500
18	Appropriated from:		
19	Federal revenues:		
20	Higher education act of 1965, title IV, 20 USC		1,500,000
21	Higher education act of 1965, title IV, part A		1,500,000
22	United States department of education, office of		
23	elementary and secondary education, gear-up		1,500,000
24	Special revenue funds:		
25	Michigan merit award trust fund		30,100,000
26	Contributions to children of veterans tuition grant		
27	program		300,000

1 State general fund/general purpose..... \$ 15,608,500

2 PART 2

3 PROVISIONS CONCERNING APPROPRIATIONS

4 GENERAL SECTIONS

5 Sec. 201. Pursuant to section 30 of article IX of the state
6 constitution of 1963, total state spending from state resources
7 under part 1 for fiscal year 2010-2011 is \$1,573,778,500.00 and
8 state spending from state resources to be paid to local units of
9 government for fiscal year 2010-2011 is \$0.

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

13 Sec. 203. As used in this bill, "research university" means a
14 public university classified as a "research university (very high
15 research activity)" under the 2005 classification of institutions
16 of higher education conducted by the Carnegie foundation for the
17 advancement of teaching.

18 Sec. 208. Unless otherwise specified, public universities
19 receiving appropriations in part 1 shall use the Internet to
20 fulfill the reporting requirements of this bill. This requirement
21 may include transmission of reports via electronic mail to the
22 recipients identified for each reporting requirement, or it may
23 include placement of reports on an Internet or Intranet site.

24 Sec. 209. Funds appropriated in part 1 shall not be used for
25 the purchase of foreign goods or services, or both, if

1 competitively priced and of comparable quality American goods and
2 services, or both, are available. Preference shall be given to
3 goods or services, or both, manufactured or provided by Michigan
4 businesses if they are competitively priced and of comparable
5 value. In addition, preference should be given to goods or
6 services, or both, that are manufactured or provided by Michigan
7 businesses owned and operated by veterans if they are competitively
8 priced and of comparable quality.

9 Sec. 210. Funds appropriated in part 1 to state institutions
10 of higher education shall not be used to enter into a lease for, or
11 to purchase, a vehicle assembled or manufactured outside of the
12 United States if competitively priced and comparable quality
13 vehicles made in the state of Michigan or elsewhere in the United
14 States of America are available.

15 Sec. 211. The principal executive officer of each state
16 university receiving appropriations in part 1 shall take all
17 reasonable steps to ensure businesses in deprived and depressed
18 communities compete for and perform contracts to provide services
19 or supplies, or both. Each principal executive officer shall
20 strongly encourage firms with which the university contracts to
21 subcontract with certified businesses in depressed and deprived
22 communities for services, supplies, or both.

23 Sec. 212. (1) The funds appropriated in part 1 to public
24 universities shall be paid out of the state treasury and
25 distributed by the state treasurer to the respective institutions
26 in 11 equal monthly installments on the sixteenth of each month, or
27 the next succeeding business day, beginning with October 16, 2010.

1 Except for Wayne State University, each institution shall accrue
2 its July and August 2011 payments to its institutional fiscal year
3 ending June 30, 2011.

4 (2) All public universities shall submit higher education
5 institutional data inventory (HEIDI) data and associated financial
6 and program information requested by and in a manner prescribed by
7 the state budget director. For public universities with fiscal
8 years ending June 30, 2010 these data shall be submitted to the
9 state budget director by October 15, 2010. Public universities with
10 a fiscal year ending September 30, 2010 shall submit preliminary
11 HEIDI data by November 15, 2010 and final data by December 15,
12 2010. If a public university fails to submit HEIDI data and
13 associated financial aid program information in accordance with
14 this reporting schedule, the state treasurer may withhold the
15 monthly installments under subsection (1) to the public university
16 until those data are submitted.

17 Sec. 213. Funds received by the state from the federal
18 government or private sources for the use of a college or
19 university are appropriated for the purposes for which they are
20 provided. The acceptance and use of federal or private funds do not
21 place an obligation upon the legislature to continue the purposes
22 for which the funds are made available.

23 Sec. 215. A public university that receives funds under this
24 bill shall furnish all program and financial information that is
25 required by and in a manner prescribed by the state budget director
26 or the house or senate appropriations committee.

27 Sec. 216. A public university receiving funds in part 1 shall

1 cooperate with all measures taken by the state to comply with the
2 state fiscal stabilization fund provisions of the American recovery
3 and reinvestment act of 2009, Public Law 111-5, requiring the
4 establishment of a statewide P-20 education longitudinal data
5 system.

6 **GRANTS AND FINANCIAL AID**

7 Sec. 301. (1) Payments of the amounts included in part 1 for
8 the state competitive scholarship program shall be distributed
9 pursuant to 1964 PA 208, MCL 390.971 to 390.981.

10 (2) The Michigan higher education assistance authority shall
11 implement a proportional competitive scholarship maximum award
12 level for recipients enrolled less than full-time in a given
13 semester or term.

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

20 (4) If the Michigan higher education assistance authority
21 increases the maximum award per eligible student from that provided
22 in the previous fiscal year, it shall not have the effect of
23 reducing the number of eligible students receiving awards in
24 relation to the total number of eligible applicants. Any increase
25 in the maximum grant shall be proportional for all eligible
26 students receiving awards.

27 (5) Veterans administration benefits shall not be considered

1 in determining eligibility under 1964 PA 208, MCL 390.971 to
2 390.981.

3 Sec. 307. The auditor general may audit selected enrollments,
4 degrees, and awards at selected independent colleges and
5 universities receiving awards administered by the department of
6 treasury. The audits shall be based upon definitions and
7 requirements established by the Michigan higher education
8 assistance authority, the state budget director, and the senate and
9 house fiscal agencies. The auditor general shall accept the Free
10 Application for Federal Student Aid (FAFSA) form as the standard of
11 residency documentation. The auditor general shall submit a report
12 of findings to the senate and house appropriations committees and
13 state budget director by May 1, 2011.

14 Sec. 308. The sums appropriated in part 1 for the student
15 financial aid programs shall be paid out of the state treasury and
16 shall be distributed to the respective institutions under a
17 quarterly payment system as follows:

18 (a) For the state competitive scholarship and tuition
19 incentive programs, 40% shall be paid at the beginning of the
20 state's first fiscal quarter, 40% at the beginning of the state's
21 second fiscal quarter, 10% at the beginning of the state's third
22 fiscal quarter, and 10% at the beginning of the state's fourth
23 fiscal quarter.

24 (b) For the Robert C. Byrd honors scholarship program, 50%
25 shall be paid at the beginning of the state's first fiscal quarter
26 and 50% at the beginning of the state's second fiscal quarter.

27 Sec. 309. The Michigan higher education assistance authority

1 shall determine the needs analysis criteria for students to qualify
2 for the state competitive scholarship program. To be consistent
3 with federal requirements, student wages may be taken into
4 consideration when determining the amount of the award.

5 Sec. 310. (1) The funds appropriated in part 1 for the tuition
6 incentive program shall be distributed as provided in this section
7 and pursuant to the administrative procedures for the tuition
8 incentive program of the department of treasury.

9 (2) As used in this section "department" means the department
10 of treasury.

11 (3) Payments under the tuition incentive program shall be made
12 on behalf of students for an academic period of 80 semester or 120
13 term credits, or less, leading to an associate degree or
14 certificate.

15 (4) A person shall meet the following basic criteria and
16 financial thresholds to be eligible for tuition incentive benefits:

17 (a) Apply for certification to the department before
18 graduating from high school or completing the general education
19 development (GED) certificate.

20 (b) Be less than 20 years of age at the time of high school
21 graduation or GED completion.

22 (c) Be a United States citizen and a resident of Michigan
23 according to institutional criteria.

24 (d) Be at least a half-time student, earning less than 80
25 semester or 120 term credits at a participating educational
26 institution within 4 years of high school graduation or GED
27 certificate completion.

1 (e) Request information on filing a FAFSA.

2 (f) Be financially eligible as determined by the department. A
3 person is financially eligible for the tuition incentive program if
4 that person was Medicaid eligible for 24 months within the 36
5 months before application. Certification of eligibility may begin
6 in the sixth grade.

7 (g) Not be incarcerated.

8 (5) The department shall provide payment on behalf of a person
9 eligible under subsection (4) as follows:

10 (a) Payments for associate degree or certificate programs
11 shall not be made for more than 80 semester or 120 term credits for
12 any 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, a
19 Michigan independent, nonprofit degree-granting college or
20 university, a Michigan federal tribally controlled community
21 college, or Focus: HOPE, the department shall pay mandatory fees
22 for the current year and a per-credit payment that does not exceed
23 the average community college in-district per-credit tuition rate
24 as reported on August 1, for the immediately preceding academic
25 year.

26 (d) The department shall reject billings that are excessive or
27 outside the guidelines for the type of educational institution.

1 (6) The department shall work closely with participating
2 institutions to develop an application and eligibility
3 determination process that will provide the highest level of
4 participation and ensure that all requirements of the program are
5 met.

6 (7) Applications for the tuition incentive program may be
7 approved at any time after the student begins the sixth grade. If a
8 determination of financial eligibility is made, that determination
9 is valid as long as the student meets all other program
10 requirements and conditions.

11 (8) Each institution shall ensure that all known available
12 restricted grants for tuition and fees are used prior to billing
13 the tuition incentive program for any portion of a student's
14 tuition and fees.

15 (9) The department shall ensure that the tuition incentive
16 program is well publicized and that potentially eligible Medicaid
17 clients are provided information on the program. The department
18 shall provide the necessary funding and staff to fully operate the
19 program.

20 Sec. 311. To enable the legislature and the state budget
21 director to evaluate the appropriation needs of higher education,
22 each independent college and university shall make available to the
23 legislature or state budget director, upon request, data regarding
24 grants for the preceding, current, and ensuing fiscal years.

25 Sec. 315. By March 31 of each year, the department of treasury
26 shall submit a report to the state budget director, the house and
27 senate appropriations subcommittees on higher education, and the

1 house and senate fiscal agencies for the preceding fiscal year on
2 all student financial aid programs for which funds are appropriated
3 in part 1. For each student financial aid program, the report shall
4 include, but is not limited to, the total number of awards paid in
5 the preceding fiscal year, the total dollar amount of those awards,
6 and the number of students receiving awards and the total amount of
7 those awards at each eligible postsecondary institution. To the
8 extent information is available, the report shall also include
9 information on the average exam performance, household income, and
10 other demographic characteristics of students receiving awards
11 under each program and historical information on the number of
12 awards and total award amounts for each program.

13 **UNIVERSITY OPERATIONS**

14 Sec. 433. (1) Included in part 1 is \$2,982,900.00 for the
15 agricultural experiment station and \$2,645,200.00 for the
16 cooperative extension service for project GREEN. Project GREEN is
17 intended to address critical regulatory, food safety, economic, and
18 environmental problems faced by this state's plant-based
19 agriculture, forestry, and processing industries. "GREEN" is an
20 acronym for generating research and extension to meet environmental
21 and economic needs.

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

26 (3) Not later than September 30, 2011, a report shall be
27 submitted by Michigan State University to the state budget

1 director, the house and senate appropriations subcommittees on
2 agriculture and on higher education, and the house and senate
3 fiscal agencies for the preceding school fiscal year regarding
4 expenditures and programmatic outcomes of the agricultural
5 experiment station and cooperative extension service. The report
6 shall include, but is not limited to:

7 (a) Total funds expended by the agricultural experiment
8 station and cooperative extension service identified by state,
9 local, private, federal, and university fund sources.

10 (b) The dollar amount of each project GREEN project and a
11 review of each project's performance and accomplishments.

12 (c) The dollar amount of each bioeconomy research and
13 development project and a review of each project's performance and
14 accomplishments.

15 (d) The dollar amount and description of all other individual
16 programs and services provided by the agricultural experiment
17 station and cooperative extension service and a review of each
18 project's performance and accomplishments.

19 (e) The number of businesses created or that had increased
20 employment and the number of patents generated as a result of work
21 conducted by the agricultural experiment station and cooperative
22 extension service.

23 Sec. 440. All public universities shall submit the amount of
24 tuition and fees actually charged to a full-time resident
25 undergraduate student for academic year 2010-2011 as part of their
26 higher education institutional data inventory (HEIDI) data by
27 August 31, 2010. A public university shall report any revisions for

1 any semester of the reported academic year 2010-2011 tuition and
2 fee charges to HEIDI within 15 days of being adopted.

3 Sec. 460. From the amount appropriated in part 1 to Central
4 Michigan University for operations, \$29,700.00 shall be paid to
5 Saginaw Chippewa Tribal College for the costs of waiving tuition
6 for North American Indians under 1976 PA 174, MCL 390.1251 to
7 390.1253.

8 Sec. 461. From the amount appropriated in part 1 to Lake
9 Superior State University for operations, \$100,000.00 shall be paid
10 to Bay Mills Community College for the costs of waiving tuition for
11 North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253.

12 Sec. 464. Each public university receiving an appropriation in
13 part 1 shall submit a plan by January 15, 2010 to the state budget
14 director, the house and senate appropriations subcommittees on
15 higher education, and the house and senate fiscal agencies on its
16 process to inform both the private and public sectors regarding
17 research and technology that could be developed commercially.

18 Sec. 466. Public universities shall coordinate their purchases
19 of goods and services whenever possible. This may include, but is
20 not limited to, group purchases for vehicles, utilities, supplies,
21 electronic equipment, maintenance equipment, books, and contractual
22 services. To the extent possible, the public universities shall use
23 both the "Michigan delivering extended agreements locally" (MiDEAL)
24 purchasing services of the state department of technology,
25 management and budget that makes state contracts available to local
26 units of government, colleges, and universities and the purchasing
27 services available through the state's membership in the Midwestern

1 Higher Education Compact (MHEC). Not later than January 1 of each
2 year, the presidents council, state universities of Michigan shall
3 submit to the members of the house and senate appropriations
4 subcommittees on higher education, the house and senate fiscal
5 agencies, and the state budget director a report on group or pooled
6 purchases and the savings achieved by the public universities in
7 the previous fiscal year.

8 Sec. 469. By November 14, 2009, each public university
9 receiving an appropriation in part 1 shall report the number of
10 undergraduate students who graduated in academic year 2009-2010 and
11 received a Pell grant at any time during their enrollment at that
12 university to the members of the house and senate appropriations
13 subcommittees on higher education, the house and senate fiscal
14 agencies, and the state budget director.

15 Sec. 480. (1) Each public university receiving an
16 appropriation in part 1 is encouraged do all of the following:

17 (a) Meet the provisions of section 5003 of the post-911
18 veterans educational assistance act of 2008, title V of Public Law
19 110-252, 38 USC 3301 to 3324, including voluntary participation in
20 the yellow ribbon GI education enhancement program established in
21 that act in 38 USC 3317.

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

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

26 (2) As used in this section, "veteran" means an honorably
27 discharged veteran entitled to educational assistance under the

1 provisions of section 5003 of the post-911 veterans educational
2 assistance act of 2008, title V of Public Law 110-252, 38 USC 3301
3 to 3324.

4 **STATE AND REGIONAL PROGRAMS**

5 Sec. 490. The funds appropriated in part 1 for higher
6 education database modernization and conversion shall be expended
7 to maintain, coordinate, and improve the higher education
8 institutional data inventory (HEIDI) established under section 1299
9 of the management and budget act, 1984 PA 431, MCL 18.1299. The
10 advisory committee established under that section shall meet
11 regularly to review data definitions and requirements in order to
12 advise the state budget director regarding changes to those
13 definitions and requirements that would result in more useful and
14 reliable data being provided to state policymakers and university
15 officials.

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

17 Sec. 501. (1) Included in the appropriation for each public
18 university in part 1 is funding for the Martin Luther King, Jr. -
19 Cesar Chavez - Rosa Parks future faculty program that is intended
20 to increase the pool of academically or economically disadvantaged
21 candidates pursuing faculty teaching careers in postsecondary
22 education. Preference may not be given to applicants on the basis
23 of race, color, ethnicity, gender, or national origin. Institutions
24 should encourage applications from applicants who would otherwise
25 not adequately be represented in the graduate student and faculty
26 populations. Each public university shall apply the percentage
27 change applicable to every public university in the calculation of

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

3 (2) The program shall be administered by each public
4 university in a manner prescribed by the Michigan department of
5 energy, labor, and economic growth. The Michigan department of
6 energy, labor, and economic growth shall use a good faith effort
7 standard to evaluate whether a fellowship is in default.

8 Sec. 502. (1) Included in the appropriation for each public
9 university in part 1 is funding for the Martin Luther King, Jr. -
10 Cesar Chavez - Rosa Parks college day program that is intended to
11 introduce academically or economically disadvantaged schoolchildren
12 to the potential of a college education. Preference may not be
13 given to participants on the basis of race, color, ethnicity,
14 gender, or national origin. Public universities should encourage
15 participation from those who would otherwise not adequately be
16 represented in the student population.

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

27 (3) The program described in this section shall be

1 administered by each public university in a manner prescribed by
2 the Michigan department of energy, labor, and economic growth.

3 Sec. 503. (1) Included in part 1 is funding for the Martin
4 Luther King, Jr. - Cesar Chavez - Rosa Parks select student support
5 services program for developing academically or economically
6 disadvantaged student retention programs for 4-year public and
7 independent educational institutions in this state. Preference may
8 not be given to participants on the basis of race, color,
9 ethnicity, gender, or national origin. Institutions should
10 encourage participation from those who would otherwise not
11 adequately be represented in the student population.

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

15 (3) The program described in this section shall be
16 administered by the Michigan department of energy, labor, and
17 economic growth.

18 Sec. 504. (1) Included in part 1 is funding for the Martin
19 Luther King, Jr. - Cesar Chavez - Rosa Parks college/university
20 partnership program between 4-year public and independent colleges
21 and universities and public community colleges, which is intended
22 to increase the number of academically or economically
23 disadvantaged students who transfer from community colleges into
24 baccalaureate programs. Preference may not be given to participants
25 on the basis of race, color, ethnicity, gender, or national origin.
26 Institutions should encourage participation from those who would
27 otherwise not adequately be represented in the transfer student

1 population.

2 (2) The grants shall be made under the program described in
3 this section to Michigan public and independent colleges and
4 universities. An award to any 1 institution shall not be greater
5 than \$150,000.00, and the amount awarded shall be matched on a 70%
6 state, 30% college or university basis.

7 (3) The program described in this section shall be
8 administered by the Michigan department of energy, labor, and
9 economic growth.

10 Sec. 505. (1) Included in the appropriation for each public
11 university in part 1 is funding for the Martin Luther King, Jr. -
12 Cesar Chavez - Rosa Parks visiting professors program which is
13 intended to increase the number of instructors in the classroom to
14 provide role models for academically or economically disadvantaged
15 students. Preference may not be given to participants on the basis
16 of race, color, ethnicity, gender, or national origin. Public
17 universities should encourage participation from those who would
18 otherwise not adequately be represented in the student population.

19 (2) The program described in this section shall be
20 administered by the Michigan department of energy, labor, and
21 economic growth.

22 Sec. 506. (1) Included in the appropriation in part 1 is
23 funding under the Martin Luther King, Jr. - Cesar Chavez - Rosa
24 Parks initiative for the Morris Hood, Jr. educator development
25 program which is intended to increase the number of academically or
26 economically disadvantaged students who enroll in and complete K-12
27 teacher education programs at the baccalaureate level. Preference

1 may not be given to participants on the basis of race, color,
2 ethnicity, gender, or national origin. Institutions should
3 encourage participation from those who would otherwise not
4 adequately be represented in the teacher education student
5 population.

6 (2) The program described in this section shall be
7 administered by each state-approved teacher education institution
8 in a manner prescribed by the Michigan department of energy, labor,
9 and economic growth.

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

14 Sec. 507. Each institution receiving funds under section 503,
15 504, or 506 shall notify the Michigan department of energy, labor,
16 and economic growth by April 15, 2011 as to whether it will expend
17 by the end of its fiscal year the funds received under section 503,
18 504, or 506. Notwithstanding the award limitations in sections 503
19 and 504, the amount of funding reported as not being expended will
20 be reallocated to the institutions that intend to expend all
21 funding received under section 503, 504, or 506.

22 **STUDENT PERFORMANCE REPORTING**

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

1 association of secondary school principals.

2 (2) The Michigan high schools shall systematically inform the
3 public universities about the use of information received under
4 this section in a manner prescribed by the Michigan association of
5 secondary school principals in cooperation with the presidents
6 council, state universities of Michigan.

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

13 Sec. 603. Public universities shall work with the state
14 community colleges to encourage the transfer of students from the
15 community colleges to the state universities and to facilitate the
16 transfer of credits from the community colleges to the public
17 universities.

18 **GENERAL REPORTS AND AUDITS**

19 Sec. 701. (1) The auditor general shall review higher
20 education institutional data inventory (HEIDI) enrollment data
21 submitted by all public universities and may perform audits of
22 selected public universities if determined necessary. The review
23 and audits shall be based upon the definitions, requirements, and
24 uniform reporting categories established by the state budget
25 director in consultation with the HEIDI advisory committee. The
26 auditor general shall submit a report of findings to the house and
27 senate appropriations committees and the state budget director no

1 later than July 1, 2011.

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

4 (a) Student credit hours generated through instructional
5 activity by faculty or staff in classrooms located outside
6 Michigan, with the exception of instructional activity related to
7 study-abroad programs or field programs.

8 (b) Student credit hours generated through distance learning
9 instruction for students not eligible for the public university's
10 in-state main campus resident tuition rate. However, in instances
11 where a student is enrolled in distance education and non-distance
12 education credit hours in a given term and the student's non-
13 distance education enrollment is at a campus or site located within
14 Michigan, student credit hours per the student's eligibility for
15 in-state or out-of-state tuition rates may be reported.

16 (c) Student credit hours generated through credit by
17 examination.

18 (d) Student credit hours generated through inmate prison
19 programs regardless of teaching location.

20 (e) Student credit hours generated in new degree programs
21 after January 1, 1975, that have not been specifically authorized
22 for funding by the legislature, except spin-off programs converted
23 from existing core programs that do all of the following:

24 (i) Represent new options, fields, or concentrations within
25 existing programs.

26 (ii) Are consistent with the current institutional role and
27 mission.

1 (iii) Are accommodated within the continuing funding base of the
2 public university.

3 (iv) Do not require a new degree level beyond that which the
4 public university is currently authorized to grant within that
5 discipline or field.

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

10 (3) The auditor general shall periodically audit higher
11 education institutional data inventory (HEIDI) data as submitted by
12 the public universities for compliance with the definitions
13 established by the state budget director in consultation with the
14 HEIDI advisory committee for the HEIDI database.

15 (4) "Distance learning instruction" as used in subsection (2)
16 means instruction that occurs solely in other than a traditional
17 classroom setting where the student and instructor are in the same
18 physical location and for which a student receives course credits
19 and is charged tuition and fees. Examples of distance learning
20 instruction are instruction delivered solely through the Internet,
21 cable television, teleconference, or mail.

22 Sec. 702. The principal executive officer of each public
23 university receiving an appropriation under part 1 shall expend a
24 portion of the funds appropriated to that public university to make
25 a report to the auditor general, the house and senate fiscal
26 agencies, and the state budget director within 60 days after the
27 auditor general issues his or her report on the operation of the

1 institution. The public university's report shall specify all of
2 the following:

3 (a) The recommendations of the auditor general implemented by
4 the public university, including projected dates and resources
5 required, if any, to achieve compliance.

6 (b) The recommendations of the auditor general not implemented
7 by the public university or implemented by the public university as
8 modified.

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

11 Sec. 708. The auditor general may conduct performance audits
12 of public universities receiving funds in part 1 during the fiscal
13 year ending September 30, 2011 as the auditor general considers
14 necessary.

15 Sec. 709. A public university receiving funds under part 1 and
16 also subject to the student right-to-know and campus security act,
17 Public Law 101-542, 104 Stat. 2381, shall make a copy of all
18 material prepared pursuant to the public information reporting
19 requirements under the crime awareness and campus security act of
20 1990, title II of the student right-to-know and campus security
21 act, Public Law 101-542, 104 Stat. 2381, available in electronic
22 Internet format on their websites.

23 Sec. 714. A public university receiving funds under this bill
24 and also subject to the family educational rights and privacy act
25 (FERPA), 20 USC 1232g, 34 CFR part 99, shall, when requested,
26 provide information from the records of a student to any person or
27 persons to whom the student has authorized disclosure on a written

1 consent form pursuant to 34 CFR 99.30.