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**HIGHER EDUCATION**  
**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, 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.

**HIGHER EDUCATION**

APPROPRIATION SUMMARY

Full-time equated classified positions .....	1.0	
GROSS APPROPRIATION.....		\$ 1,578,278,500
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		0
ADJUSTED GROSS APPROPRIATION.....		\$
Federal revenues:		
Total federal revenues.....		4,500,000
Special revenue funds:		
Total local revenues.....		0

1	Total private revenues.....	0
2	Total other state restricted revenues.....	30,400,000
3	State general fund/general purpose.....	\$ 1,543,378,500

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5                                   **SUBPART A - RESEARCH UNIVERSITIES**

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7       **Sec. 102. MICHIGAN STATE UNIVERSITY**

8	Operations.....	\$ 291,841,700
9	Agricultural experiment station.....	34,198,900
10	Cooperative extension service.....	<u>29,497,000</u>
11	GROSS APPROPRIATION.....	\$ 355,537,600

12       Appropriated from:

13	State general fund/general purpose.....	\$ 355,537,600
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14       **Sec. 103. UNIVERSITY OF MICHIGAN - ANN ARBOR**

15	Operations.....	\$ <u>325,347,400</u>
16	GROSS APPROPRIATION.....	\$ 325,347,400

17       Appropriated from:

18	State general fund/general purpose.....	\$ 325,347,400
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19       **Sec. 104. WAYNE STATE UNIVERSITY**

20	Operations.....	\$ <u>220,329,200</u>
21	GROSS APPROPRIATION.....	\$ 220,329,200

22       Appropriated from:

23	State general fund/general purpose.....	\$ 220,329,200
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25                                   **SUBPART B - STATE UNIVERSITIES**

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27       **Sec. 105. CENTRAL MICHIGAN UNIVERSITY**

28	Operations.....	\$ <u>82,436,000</u>
29	GROSS APPROPRIATION.....	\$ 82,436,000

1	Appropriated from:		
2	State general fund/general purpose.....	\$	82,436,000
3	<b>Sec. 106. EASTERN MICHIGAN UNIVERSITY</b>		
4	Operations.....	\$	<u>78,212,100</u>
5	GROSS APPROPRIATION.....	\$	78,212,100
6	Appropriated from:		
7	State general fund/general purpose.....	\$	78,212,100
8	<b>Sec. 107. FERRIS STATE UNIVERSITY</b>		
9	Operations.....	\$	<u>50,017,100</u>
10	GROSS APPROPRIATION.....	\$	50,017,100
11	Appropriated from:		
12	State general fund/general purpose.....	\$	50,017,100
13	<b>Sec. 108. GRAND VALLEY STATE UNIVERSITY</b>		
14	Operations.....	\$	<u>63,758,300</u>
15	GROSS APPROPRIATION.....	\$	63,758,300
16	Appropriated from:		
17	State general fund/general purpose.....	\$	63,758,300
18	<b>Sec. 109. LAKE SUPERIOR STATE UNIVERSITY</b>		
19	Operations.....	\$	<u>13,059,200</u>
20	GROSS APPROPRIATION.....	\$	13,059,200
21	Appropriated from:		
22	State general fund/general purpose.....	\$	13,059,200
23	<b>Sec. 110. MICHIGAN TECHNOLOGICAL UNIVERSITY</b>		
24	Operations.....	\$	<u>49,302,100</u>
25	GROSS APPROPRIATION.....	\$	49,302,100
26	Appropriated from:		
27	State general fund/general purpose.....	\$	49,302,100
28	<b>Sec. 111. NORTHERN MICHIGAN UNIVERSITY</b>		
29	Operations.....	\$	<u>46,438,200</u>

1	GROSS APPROPRIATION.....	\$	46,438,200
2	Appropriated from:		
3	State general fund/general purpose.....	\$	46,438,200
4	<b>Sec. 112. OAKLAND UNIVERSITY</b>		
5	Operations.....	\$	<u>52,220,800</u>
6	GROSS APPROPRIATION.....	\$	52,220,800
7	Appropriated from:		
8	State general fund/general purpose.....	\$	52,220,800
9	<b>Sec. 113. SAGINAW VALLEY STATE UNIVERSITY</b>		
10	Operations.....	\$	<u>28,517,700</u>
11	GROSS APPROPRIATION.....	\$	28,517,700
12	Appropriated from:		
13	State general fund/general purpose.....	\$	28,517,700
14	<b>Sec. 114. UNIVERSITY OF MICHIGAN - DEARBORN</b>		
15	Operations.....	\$	<u>25,437,100</u>
16	GROSS APPROPRIATION.....	\$	25,437,100
17	Appropriated from:		
18	State general fund/general purpose.....	\$	25,437,100
19	<b>Sec. 115. UNIVERSITY OF MICHIGAN - FLINT</b>		
20	Operations.....	\$	<u>21,498,900</u>
21	GROSS APPROPRIATION.....	\$	21,498,900
22	Appropriated from:		
23	State general fund/general purpose.....	\$	21,498,900
24	<b>Sec. 116. WESTERN MICHIGAN UNIVERSITY</b>		
25	Operations.....	\$	<u>112,766,800</u>
26	GROSS APPROPRIATION.....	\$	112,766,800
27	Appropriated from:		
28	State general fund/general purpose.....	\$	112,766,800
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**SUBPART C - GRANTS AND FINANCIAL AID**

**Sec. 117. STATE AND REGIONAL PROGRAMS**

Full-time equated positions .....	1.0		
Higher education database modernization and conversion--1.0 FTE position .....		\$	105,000
Midwestern higher education compact.....			<u>95,000</u>
GROSS APPROPRIATION.....		\$	200,000

Appropriated from:

State general fund/general purpose.....		\$	200,000
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**Sec. 118. MARTIN LUTHER KING, JR. - CESAR CHAVEZ -**

**ROSA PARKS PROGRAM**

Select student support services.....		\$	1,956,100
Michigan college/university partnership program.....			586,800
Morris Hood, Jr. educator development program.....			<u>148,600</u>
GROSS APPROPRIATION.....		\$	2,691,500

Appropriated from:

State general fund/general purpose.....		\$	2,691,500
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**Sec. 119. GRANTS AND FINANCIAL AID**

State competitive scholarships.....		\$	16,208,500
Robert C. Byrd honors scholarship program.....			1,500,000
Tuition incentive program.....			30,100,000
Children of veterans and officer's survivor tuition programs .....			1,200,000
Project gear-up.....			<u>1,500,000</u>
GROSS APPROPRIATION.....		\$	50,508,500

Appropriated from:

Federal revenues:

Higher education act of 1965, title IV, 20 USC.....			1,500,000
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1 recipients identified for each reporting requirement, or it may  
2 include placement of reports on an Internet or Intranet site.

3       Sec. 209. Funds appropriated in part 1 shall not be used for  
4 the purchase of foreign goods or services, or both, if  
5 competitively priced and of comparable quality American goods and  
6 services, or both, are available. Preference shall be given to  
7 goods or services, or both, manufactured or provided by Michigan  
8 businesses if they are competitively priced and of comparable  
9 value. In addition, preference should be given to goods or  
10 services, or both, that are manufactured or provided by Michigan  
11 businesses owned and operated by veterans if they are competitively  
12 priced and of comparable quality.

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

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

27       Sec. 212. (1) The funds appropriated in part 1 to public  
28 universities shall be paid out of the state treasury and  
29 distributed by the state treasurer to the respective institutions

1 in 11 equal monthly installments on the sixteenth of each month, or  
2 the next succeeding business day, beginning with October 16, 2010.  
3 Except for Wayne State University, each institution shall accrue  
4 its July and August 2011 payments to its institutional fiscal year  
5 ending June 30, 2011.

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

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

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

1           Sec. 216. A public university receiving funds in part 1 shall  
2 cooperate with all measures taken by the state to comply with the  
3 state fiscal stabilization fund provisions of the American recovery  
4 and reinvestment act of 2009, Public Law 111-5, requiring the  
5 establishment of a statewide P-20 education longitudinal data  
6 system.

7 **GRANTS AND FINANCIAL AID**

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

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

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

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

1 (5) Veterans administration benefits shall not be considered  
2 in determining eligibility under 1964 PA 208, MCL 390.971 to  
3 390.981.

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

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

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

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

28 Sec. 309. The Michigan higher education assistance authority  
29 shall determine the needs analysis criteria for students to qualify

1 for the state competitive scholarship program. To be consistent  
2 with federal requirements, student wages may be taken into  
3 consideration when determining the amount of the award.

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

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

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

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

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

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

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

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

27 (e) Request information on filing a FAFSA.

28 (f) Be financially eligible as determined by the department. A  
29 person is financially eligible for the tuition incentive program if

1 that person was Medicaid eligible for 24 months within the 36  
2 months before application. Certification of eligibility may begin  
3 in the sixth grade.

4 (g) Not be incarcerated.

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

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

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

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

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

25 (6) The department shall work closely with participating  
26 institutions to develop an application and eligibility  
27 determination process that will provide the highest level of  
28 participation and ensure that all requirements of the program are  
29 met.

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

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

10          (9) The department shall ensure that the tuition incentive  
11 program is well publicized and that potentially eligible Medicaid  
12 clients are provided information on the program. The department  
13 shall provide the necessary funding and staff to fully operate the  
14 program.

15          Sec. 311. To enable the legislature and the state budget  
16 director to evaluate the appropriation needs of higher education,  
17 each independent college and university shall make available to the  
18 legislature or state budget director, upon request, data regarding  
19 grants for the preceding, current, and ensuing fiscal years.

20          Sec. 315. By March 31 of each year, the department of treasury  
21 shall submit a report to the state budget director, the house and  
22 senate appropriations subcommittees on higher education, and the  
23 house and senate fiscal agencies for the preceding fiscal year on  
24 all student financial aid programs for which funds are appropriated  
25 in part 1. For each student financial aid program, the report shall  
26 include, but is not limited to, the total number of awards paid in  
27 the preceding fiscal year, the total dollar amount of those awards,  
28 and the number of students receiving awards and the total amount of  
29 those awards at each eligible postsecondary institution. To the

1 extent information is available, the report shall also include  
2 information on the average exam performance, household income, and  
3 other demographic characteristics of students receiving awards  
4 under each program and historical information on the number of  
5 awards and total award amounts for each program.

6 **UNIVERSITY OPERATIONS**

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

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

19       (3) Not later than September 30, 2011, a report shall be  
20 submitted by Michigan State University to the state budget  
21 director, the house and senate appropriations subcommittees on  
22 agriculture and on higher education, and the house and senate  
23 fiscal agencies for the preceding school fiscal year regarding  
24 expenditures and programmatic outcomes of the agricultural  
25 experiment station and cooperative extension service. The report  
26 shall include, but is not limited to:

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

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

3 (c) The dollar amount of each bioeconomy research and  
4 development project and a review of each project's performance and  
5 accomplishments.

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

10 (e) The number of businesses created or that had increased  
11 employment and the number of patents generated as a result of work  
12 conducted by the agricultural experiment station and cooperative  
13 extension service.

14 Sec. 440. All public universities shall submit the amount of  
15 tuition and fees actually charged to a full-time resident  
16 undergraduate student for academic year 2010-2011 as part of their  
17 higher education institutional data inventory (HEIDI) data by  
18 August 31, 2010. A public university shall report any revisions for  
19 any semester of the reported academic year 2010-2011 tuition and  
20 fee charges to HEIDI within 15 days of being adopted.

21 Sec. 460. From the amount appropriated in part 1 to Central  
22 Michigan University for operations, \$29,700.00 shall be paid to  
23 Saginaw Chippewa Tribal College for the costs of waiving tuition  
24 for North American Indians under 1976 PA 174, MCL 390.1251 to  
25 390.1253.

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

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

7           Sec. 466. Public universities shall coordinate their purchases  
8 of goods and services whenever possible. This may include, but is  
9 not limited to, group purchases for vehicles, utilities, supplies,  
10 electronic equipment, maintenance equipment, books, and contractual  
11 services. To the extent possible, the public universities shall use  
12 both the "Michigan delivering extended agreements locally" (MiDEAL)  
13 purchasing services of the state department of technology,  
14 management and budget that makes state contracts available to local  
15 units of government, colleges, and universities and the purchasing  
16 services available through the state's membership in the Midwestern  
17 Higher Education Compact (MHEC). Not later than January 1 of each  
18 year, the presidents council, state universities of Michigan shall  
19 submit to the members of the house and senate appropriations  
20 subcommittees on higher education, the house and senate fiscal  
21 agencies, and the state budget director a report on group or pooled  
22 purchases and the savings achieved by the public universities in  
23 the previous fiscal year.

24           Sec. 469. By November 14, 2009, each public university  
25 receiving an appropriation in part 1 shall report the number of  
26 undergraduate students who graduated in academic year 2009-2010 and  
27 received a Pell grant at any time during their enrollment at that  
28 university to the members of the house and senate appropriations

1 subcommittees on higher education, the house and senate fiscal  
2 agencies, and the state budget director.

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

5 (a) Meet the provisions of section 5003 of the post-911  
6 veterans educational assistance act of 2008, title V of Public Law  
7 110-252, 38 USC 3301 to 3324, including voluntary participation in  
8 the yellow ribbon GI education enhancement program established in  
9 that act in 38 USC 3317.

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

12 (c) Provide flexible enrollment application deadlines for all  
13 veterans.

14 (2) As used in this section, "veteran" means an honorably  
15 discharged veteran entitled to educational assistance under the  
16 provisions of section 5003 of the post-911 veterans educational  
17 assistance act of 2008, title V of Public Law 110-252, 38 USC 3301  
18 to 3324.

19 **STATE AND REGIONAL PROGRAMS**

20 Sec. 490. The funds appropriated in part 1 for higher  
21 education database modernization and conversion shall be expended  
22 to maintain, coordinate, and improve the higher education  
23 institutional data inventory (HEIDI) established under section 1299  
24 of the management and budget act, 1984 PA 431, MCL 18.1299. The  
25 advisory committee established under that section shall meet  
26 regularly to review data definitions and requirements in order to  
27 advise the state budget director regarding changes to those  
28 definitions and requirements that would result in more useful and

1 reliable data being provided to state policymakers and university  
2 officials.

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

4       Sec. 501. (1) Included in the appropriation for each public  
5 university in part 1 is funding for the Martin Luther King, Jr. -  
6 Cesar Chavez - Rosa Parks future faculty program that is intended  
7 to increase the pool of academically or economically disadvantaged  
8 candidates pursuing faculty teaching careers in postsecondary  
9 education. Preference may not be given to applicants on the basis  
10 of race, color, ethnicity, gender, or national origin. Institutions  
11 should encourage applications from applicants who would otherwise  
12 not adequately be represented in the graduate student and faculty  
13 populations. Each public university shall apply the percentage  
14 change applicable to every public university in the calculation of  
15 appropriations in part 1 to the amount of funds allocated to the  
16 future faculty program.

17       (2) The program shall be administered by each public  
18 university in a manner prescribed by the Michigan department of  
19 energy, labor, and economic growth. The Michigan department of  
20 energy, labor, and economic growth shall use a good faith effort  
21 standard to evaluate whether a fellowship is in default.

22       Sec. 502. (1) Included in the appropriation for each public  
23 university in part 1 is funding for the Martin Luther King, Jr. -  
24 Cesar Chavez - Rosa Parks college day program that is intended to  
25 introduce academically or economically disadvantaged schoolchildren  
26 to the potential of a college education. Preference may not be  
27 given to participants on the basis of race, color, ethnicity,  
28 gender, or national origin. Public universities should encourage

1 participation from those who would otherwise not adequately be  
2 represented in the student population.

3 (2) Individual program plans of each public university shall  
4 include a budget of equal contributions from this program, the  
5 participating public university, the participating school district,  
6 and the participating independent degree-granting college. College  
7 day funds shall not be expended to cover indirect costs. Not more  
8 than 20% of the university match shall be attributable to indirect  
9 costs. Each public university shall apply the percentage change  
10 applicable to every public university in the calculation of  
11 appropriations in part 1 to the amount of funds allocated to the  
12 college day program.

13 (3) The program described in this section shall be  
14 administered by each public university in a manner prescribed by  
15 the Michigan department of energy, labor, and economic growth.

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

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

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

4           Sec. 504. (1) Included in part 1 is funding for the Martin  
5 Luther King, Jr. - Cesar Chavez - Rosa Parks college/university  
6 partnership program between 4-year public and independent colleges  
7 and universities and public community colleges, which is intended  
8 to increase the number of academically or economically  
9 disadvantaged students who transfer from community colleges into  
10 baccalaureate programs. Preference may not be given to participants  
11 on the basis of race, color, ethnicity, gender, or national origin.  
12 Institutions should encourage participation from those who would  
13 otherwise not adequately be represented in the transfer student  
14 population.

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

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

23           Sec. 505. (1) Included in the appropriation for each public  
24 university in part 1 is funding for the Martin Luther King, Jr. -  
25 Cesar Chavez - Rosa Parks visiting professors program which is  
26 intended to increase the number of instructors in the classroom to  
27 provide role models for academically or economically disadvantaged  
28 students. Preference may not be given to participants on the basis  
29 of race, color, ethnicity, gender, or national origin. Public

1 universities should encourage participation from those who would  
2 otherwise not adequately be represented in the student population.

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

6 Sec. 506. (1) Included in the appropriation in part 1 is  
7 funding under the Martin Luther King, Jr. - Cesar Chavez - Rosa  
8 Parks initiative for the Morris Hood, Jr. educator development  
9 program which is intended to increase the number of academically or  
10 economically disadvantaged students who enroll in and complete K-12  
11 teacher education programs at the baccalaureate level. Preference  
12 may not be given to participants on the basis of race, color,  
13 ethnicity, gender, or national origin. Institutions should  
14 encourage participation from those who would otherwise not  
15 adequately be represented in the teacher education student  
16 population.

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

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

25 Sec. 507. Each institution receiving funds under section 503,  
26 504, or 506 shall notify the Michigan department of energy, labor,  
27 and economic growth by April 15, 2011 as to whether it will expend  
28 by the end of its fiscal year the funds received under section 503,  
29 504, or 506. Notwithstanding the award limitations in sections 503

1 and 504, the amount of funding reported as not being expended will  
2 be reallocated to the institutions that intend to expend all  
3 funding received under section 503, 504, or 506.

4 **STUDENT PERFORMANCE REPORTING**

5       Sec. 601. (1) From the amount appropriated in part 1, the  
6 public universities shall systematically inform Michigan high  
7 schools regarding the academic status of students from each high  
8 school in a manner prescribed by the presidents council, state  
9 universities of Michigan in cooperation with the Michigan  
10 association of secondary school principals.

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

16       Sec. 602. From the amount appropriated in part 1, the public  
17 universities shall inform Michigan community colleges regarding the  
18 academic status of community college transfer students in a manner  
19 prescribed by the presidents council, state universities of  
20 Michigan in cooperation with the Michigan community college  
21 association.

22       Sec. 603. Public universities shall work with the state  
23 community colleges to encourage the transfer of students from the  
24 community colleges to the state universities and to facilitate the  
25 transfer of credits from the community colleges to the public  
26 universities.

27 **GENERAL REPORTS AND AUDITS**

28       Sec. 701. (1) The auditor general shall review higher  
29 education institutional data inventory (HEIDI) enrollment data

1 submitted by all public universities and may perform audits of  
2 selected public universities if determined necessary. The review  
3 and audits shall be based upon the definitions, requirements, and  
4 uniform reporting categories established by the state budget  
5 director in consultation with the HEIDI advisory committee. The  
6 auditor general shall submit a report of findings to the house and  
7 senate appropriations committees and the state budget director no  
8 later than July 1, 2011.

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

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

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

23 (c) Student credit hours generated through credit by  
24 examination.

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

27 (e) Student credit hours generated in new degree programs  
28 after January 1, 1975, that have not been specifically authorized

1 for funding by the legislature, except spin-off programs converted  
2 from existing core programs that do all of the following:

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

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

7 (iii) Are accommodated within the continuing funding base of the  
8 public university.

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

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

16 (3) The auditor general shall periodically audit higher  
17 education institutional data inventory (HEIDI) data as submitted by  
18 the public universities for compliance with the definitions  
19 established by the state budget director in consultation with the  
20 HEIDI advisory committee for the HEIDI database.

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

28 Sec. 702. The principal executive officer of each public  
29 university receiving an appropriation under part 1 shall expend a

1 portion of the funds appropriated to that public university to make  
2 a report to the auditor general, the house and senate fiscal  
3 agencies, and the state budget director within 60 days after the  
4 auditor general issues his or her report on the operation of the  
5 institution. The public university's report shall specify all of  
6 the following:

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

10 (b) The recommendations of the auditor general not implemented  
11 by the public university or implemented by the public university as  
12 modified.

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

15 Sec. 708. The auditor general may conduct performance audits  
16 of public universities receiving funds in part 1 during the fiscal  
17 year ending September 30, 2011 as the auditor general considers  
18 necessary.

19 Sec. 709. A public university receiving funds under part 1 and  
20 also subject to the student right-to-know and campus security act,  
21 Public Law 101-542, 104 Stat. 2381, shall make a copy of all  
22 material prepared pursuant to the public information reporting  
23 requirements under the crime awareness and campus security act of  
24 1990, title II of the student right-to-know and campus security  
25 act, Public Law 101-542, 104 Stat. 2381, available in electronic  
26 Internet format on their websites.

27 Sec. 714. A public university receiving funds under this bill  
28 and also subject to the family educational rights and privacy act  
29 (FERPA), 20 USC 1232g, 34 CFR part 99, shall, when requested,

1 provide information from the records of a student to any person or  
2 persons to whom the student has authorized disclosure on a written  
3 consent form pursuant to 34 CFR 99.30.