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COMMUNITY COLLEGES
EXECUTIVE BUDGET BILL

A BILL to make appropriations for community colleges and certain state purposes related to education for the fiscal year ending September 30, 2011; to provide for the expenditure of those appropriations; to establish or continue certain funds, programs, and categories; 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 community colleges and certain other state purposes relating to education for the fiscal year ending September 30, 2011, from the funds indicated in this part. The following is a summary of the appropriations in this part:

COMMUNITY COLLEGES

APPROPRIATION SUMMARY

GROSS APPROPRIATION..... \$ 299,100,500

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental transfers 0

ADJUSTED GROSS APPROPRIATION..... \$ 299,100,500

Federal revenues:

Total federal revenues..... 0

Special revenue funds:

1	Total local revenues.....	0
2	Total private revenues.....	0
3	Total other state restricted revenues.....	0
4	State general fund/general purpose.....	\$ 299,100,500
5	Sec. 102. OPERATIONS	
6	Alpena Community College.....	\$ 5,126,100
7	Bay de Noc Community College.....	5,178,400
8	Delta College.....	13,751,600
9	Glen Oaks Community College.....	2,304,800
10	Gogebic Community College.....	4,275,200
11	Grand Rapids Community College.....	17,219,800
12	Henry Ford Community College.....	20,898,900
13	Jackson Community College.....	11,542,300
14	Kalamazoo Valley Community College.....	11,888,600
15	Kellogg Community College.....	9,311,800
16	Kirtland Community College.....	2,842,800
17	Lake Michigan College.....	5,012,100
18	Lansing Community College.....	29,762,500
19	Macomb Community College.....	31,773,900
20	Mid Michigan Community College.....	4,289,200
21	Monroe County Community College.....	4,142,800
22	Montcalm Community College.....	2,981,600
23	C.S. Mott Community College.....	15,016,400
24	Muskegon Community College.....	8,518,600
25	North Central Michigan College.....	2,893,600
26	Northwestern Michigan College.....	8,682,000
27	Oakland Community College.....	20,133,700
28	St. Clair County Community College.....	6,729,800
29	Schoolcraft College.....	11,767,000

1	Southwestern Michigan College.....	6,276,900
2	Washtenaw Community College.....	12,149,000
3	Wayne County Community College.....	15,889,900
4	West Shore Community College.....	<u>2,198,500</u>
5	GROSS APPROPRIATION.....	\$ 292,557,800
6	Appropriated from:	
7	Special revenue funds:	
8	State general fund/general purpose.....	\$ 292,557,800
9	Sec. 103. GRANTS	
10	At-risk student success program.....	\$ 3,322,700
11	Renaissance zone tax reimbursement funding.....	<u>3,220,000</u>
12	GROSS APPROPRIATION.....	\$ 6,542,700
13	Appropriated from:	
14	Special revenue funds:	
15	State general fund/general purpose.....	\$ 6,542,700

17 PART 2

18 PROVISIONS CONCERNING APPROPRIATIONS

19 **GENERAL SECTIONS**

20 Sec. 201. Pursuant to section 30 of article IX of the state
21 constitution of 1963, total state spending from state resources
22 under part 1 for fiscal year 2010-2011 is \$299,100,500.00 and state
23 spending from state resources to be paid to local units of
24 government for fiscal year 2010-2011 is \$299,100,500.00. The
25 itemized statement below identifies appropriations from which
26 spending to local units of government will occur:

27	Operations.....	\$ 292,557,800
28	At-risk student success program.....	3,322,700
29	Renaissance zone tax reimbursement program.....	<u>3,220,000</u>

1 TOTAL..... \$ 299,100,500

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

5 Sec. 203. Unless otherwise specified, a community college
6 receiving appropriations in part 1 and the department of energy,
7 labor, and economic growth shall use the Internet to fulfill the
8 reporting requirements of this bill. This requirement may include
9 transmission of reports via electronic mail to the recipients
10 identified for each reporting requirement or it may include
11 placement of reports on an Internet or Intranet site.

12 Sec. 209. Funds appropriated in part 1 shall not be used for
13 the purchase of foreign goods or services, or both, if
14 competitively priced and of comparable quality American goods or
15 services, or both, are available. Preference should be given to
16 goods or services, or both, manufactured or provided by Michigan
17 businesses, if they are competitively priced and of comparable
18 quality. In addition, preference should be given to goods or
19 services, or both, that are manufactured or provided by Michigan
20 businesses owned and operated by veterans, if they are
21 competitively priced and of comparable quality.

22 Sec. 210. The principal executive officer of each community
23 college receiving appropriations in part 1 shall take all
24 reasonable steps to ensure businesses in deprived and depressed
25 communities compete for and perform contracts to provide services
26 or supplies, or both. Each principal executive officer shall
27 strongly encourage firms with which the community college contracts
28 to subcontract with certified businesses in depressed and deprived
29 communities for services or supplies, or both.

1 Sec. 211. (1) The money appropriated in this bill is
2 appropriated for community colleges with fiscal years ending June
3 30, 2011 and shall be paid out of the state treasury and
4 distributed by the state treasurer to the respective community
5 colleges in 11 monthly installments on the sixteenth of each month,
6 or the next succeeding business day, beginning with October 16,
7 2010. Each community college shall accrue its July and August 2011
8 payments to its institutional fiscal year ending June 30, 2011.
9 However, if a community college fails to submit all verified
10 Michigan community colleges activities classification structure
11 data for school year 2009-2010 to the department of energy, labor,
12 and economic growth by November 1, 2010, the monthly installments
13 shall be withheld from that community college until those data are
14 submitted. The amount distributed to a community college or
15 department shall not exceed the net state allocation authorized by
16 this bill.

17 (2) Except as otherwise provided by law, each of the amounts
18 appropriated shall be used solely for the respective purposes
19 stated in this bill. The money appropriated in this bill may be
20 used to match the cost of any available programs under the Carl D.
21 Perkins vocational and applied technology education act of 1998, 20
22 USC 2301 to 2414, including local administration.

23 Sec. 216. (1) A community college shall pay the employer's
24 contributions to the Michigan public school employees' retirement
25 system created by the public school employees retirement act of
26 1979, 1980 PA 300, MCL 38.1301 to 38.1408, as a condition of
27 receiving money appropriated under this bill.

1 (2) A community college shall not pay an employer's
2 contribution to more than 1 retirement fund providing benefits for
3 an employee.

4 Sec. 217. Money appropriated in part 1 shall not be used to
5 pay for the construction or maintenance of a self-liquidating
6 project.

7 Sec. 224. (1) Recognizing the critical importance of education
8 in strengthening Michigan's workforce, the state's public community
9 colleges are encouraged to explore ways of increasing collaboration
10 and cooperation with 4-year universities, particularly in the areas
11 related to training, instruction, and program articulation.

12 (2) Recognizing the central role of community colleges in
13 responding to local employment needs and challenges, community
14 colleges shall develop and continue efforts to collaborate with
15 local employers and students to identify local employment needs and
16 strategies to meet them.

17 (3) Community colleges are encouraged to collaborate with each
18 other on innovations to identify and meet local employment needs.

19 Sec. 234. Community colleges shall do the following:

20 (a) Undertake active measures to promote equal opportunities,
21 eliminate discrimination, and foster a diverse student body and
22 administration among all people including, but not limited to,
23 women, minorities, seniors, veterans, and people with disabilities.

24 (b) Review, analyze, and eradicate activities that may tend to
25 discriminate.

26 Sec. 241. (1) Community colleges are encouraged to expand
27 their current nursing education programs and increase nursing
28 education program enrollments. This expansion may include, but is
29 not limited to, creating partnerships with hospitals and other

1 health care providers, encouraging programs that assist in placing
2 students at all levels of nursing, recruiting and hiring a larger
3 number of individuals with masters degrees in nursing as
4 instructors, and redirecting existing institutional resources
5 toward nursing education programs.

6 (2) Community colleges are encouraged to coordinate with the
7 chief nurse executive in the department of community health and
8 with 4-year universities to improve access to nursing programs and
9 to assist students to successfully enter the nursing workforce.

10 Sec. 247. Funds appropriated in part 1 shall not be used to
11 enter into a lease for, or to purchase, a vehicle assembled or
12 manufactured outside of the United States if competitively priced
13 and comparable quality vehicles made in the state of Michigan or
14 elsewhere in the United States of America are available.

15 Sec. 249. Community college districts are encouraged to
16 evaluate and pursue efficiency and cost-containment measures that
17 maximize state funding. Community colleges shall identify practices
18 that increase efficiencies, including, but not limited to,
19 establishing joint ventures, consolidating services, utilizing
20 program collaborations, maximizing educational benefits through
21 optimal class sizes and frequency of course offerings, increasing
22 web-based instruction, eliminating low-enrollment and high-cost
23 instructional programs, using self-insurance, practicing energy
24 conservation, and utilizing group purchasing. Efficiency efforts
25 shall also include reviewing proposed capital outlay projects to
26 increase coordination and utilization of new facilities, renovation
27 projects, and technology improvements.

1 **STATE AID - OPERATIONS**

2 Sec. 301. Unless otherwise stated, all data items used in
3 determining state aid in this bill are as defined in the "2001
4 Manual for Uniform Financial Reporting, Michigan Public Community
5 Colleges," which shall be the basis for reporting data, and the
6 "Activities Classification Structure Manual for Michigan Community
7 Colleges," as amended, which shall be used to document financial
8 needs of the community colleges.

9 Sec. 302. A community college shall not include in the
10 enrollment data reported for determining state aid under this bill
11 any student credit hours or student contact hours for a student
12 incarcerated in a Michigan penal institution. Exclusion of these
13 students is intended to avoid the payment of state aid under this
14 bill for the same individuals for whom reimbursement is provided by
15 the state correctional system.

16 **GRANTS**

17 Sec. 401. (1) The community college at-risk student success
18 program is continued. The funding shall be prorated among community
19 colleges based on the number of student contact hours for
20 developmental and preparatory instruction reported by each
21 community college to the department of energy, labor, and economic
22 growth pursuant to the "Activities Classification Structure Manual
23 for Michigan Community Colleges," as amended. Of the amount
24 appropriated in part 1 for the at-risk student success program,
25 \$1,120,000.00 is allocated for base grants of \$40,000.00 each, to
26 address the special needs of at-risk students at community
27 colleges.

28 (2) Of the amount appropriated in part 1 for the at-risk
29 student success program, the balance of the appropriated money

1 shall be distributed on a proration utilizing the sum of the most
2 recent 3 years developmental/preparatory contact hours divided by
3 the sum of the 3-year total contact hours at each college. Each
4 community college's percentage shall be divided by the sum of all
5 the percentages systemwide to obtain each community college's
6 prorated grant amount.

7 (3) For the fiscal year ending September 30, 2011, the at-risk
8 student success program money is allocated as follows:

9	Alpena Community College.....	\$	82,100
10	Bay de Noc Community College.....		77,900
11	Delta College.....		108,000
12	Glen Oaks Community College.....		106,600
13	Gogebic Community College.....		54,900
14	Grand Rapids Community College.....		135,500
15	Henry Ford Community College.....		169,600
16	Jackson Community College.....		146,800
17	Kalamazoo Valley Community College.....		90,600
18	Kellogg Community College.....		138,400
19	Kirtland Community College.....		124,300
20	Lake Michigan College.....		147,200
21	Lansing Community College.....		147,800
22	Macomb Community College.....		83,100
23	Mid Michigan Community College.....		126,100
24	Monroe County Community College.....		102,100
25	Montcalm Community College.....		73,200
26	C.S. Mott Community College.....		127,700
27	Muskegon Community College.....		87,600
28	North Central Michigan College.....		103,800
29	Northwestern Michigan College.....		127,200

1	Oakland Community College.....	147,900
2	St. Clair County Community College.....	104,500
3	Schoolcraft College.....	124,300
4	Southwestern Michigan College.....	156,000
5	Washtenaw Community College.....	117,500
6	Wayne County Community College.....	166,600
7	West Shore Community College.....	145,400

8 (4) As used in this bill, "at-risk students" means students
9 who meet 1 or more of the following criteria:

10 (a) Are initially placed in 1 or more developmental courses as
11 a result of standardized testing or as a result of failure to make
12 satisfactory academic progress.

13 (b) Are diagnosed as learning disabled.

14 (c) Require English as a second language (ESL) assistance.

15 (5) Grant funding under this section shall be utilized to
16 address the special needs of at-risk students. Activities related
17 to services provided to at-risk students include, but are not
18 limited to, pretesting for academic ability, counseling contacts,
19 and special programs. Equipment or information technology hardware
20 or software purchased under this section must be associated with
21 the operation of a program designed to address the needs of at-risk
22 students.

23 (6) Grant funding under this section shall not be used for
24 indirect costs including, but not limited to, rent, utilities, or,
25 except as provided in this section, college administration.

26 (7) Each community college shall report to the department of
27 energy, labor, and economic growth a summary of all accomplishments
28 under, expenditures for, and compliance with the intent of this
29 program, including the number of at-risk students served. The

1 report is subject to audit as provided for in section 502(1). The
2 report shall be submitted not later than 90 days after the end of
3 the state's fiscal year.

4 Sec. 404. The appropriation in part 1 for renaissance zone
5 reimbursements shall be made to each eligible recipient no later
6 than 60 days after the department of treasury certifies to the
7 state budget director that it has received all necessary
8 information to properly determine the amounts due each eligible
9 recipient under section 12 of the Michigan renaissance zone act,
10 1996 PA 376, MCL 125.2692.

11 Sec. 405. A community college receiving funds under this bill
12 shall cooperate with the state to comply with the provisions of the
13 American recovery and reinvestment act of 2009, Public Law 111-5,
14 requiring the establishment of a statewide P-20 longitudinal data
15 system.

16 **REPORTS AND AUDITS**

17 Sec. 502. (1) The auditor general or a certified public
18 accountant appointed by the auditor general may conduct performance
19 audits of community colleges as the auditor general considers
20 necessary.

21 (2) Not more than 60 days after an audit report is released by
22 the office of the auditor general, the principal executive officer
23 of the community college that was audited shall submit to the house
24 and senate appropriations committees, the house and senate fiscal
25 agencies, the department of energy, labor, and economic growth, the
26 auditor general, and the state budget director a plan to comply
27 with audit recommendations. The plan shall contain projected dates
28 and resources required, if any, to achieve compliance with the
29 audit recommendations, or a documented explanation of the college's

1 noncompliance with the audit recommendations concerning the matters
2 on which the audited community college and office of the auditor
3 general disagree.

4 Sec. 504. (1) A community college shall retain certified class
5 summaries, class lists, registration documents, and student
6 transcripts that are consistent with the taxonomy of courses. For
7 each enrollment period during the fiscal year, these certified
8 documents shall identify clearly by course the number of in-
9 district and out-of-district student credit and contact hours. The
10 class summaries and class lists shall be consistent with each other
11 and shall include the course prefix and numbers, course title,
12 course credit and contact hours, credit and contact hours generated
13 by each student, and activity classifications consistent with the
14 taxonomy. An auditable process shall be used by the community
15 college to determine the unduplicated head count for in-district
16 students, out-of-district students, and prisoners for each
17 enrollment period during the fiscal year.

18 (2) Contracts between the community college and agencies that
19 reimburse the community college for the costs of instruction shall
20 be retained for audit purposes.

21 Sec. 505. Each community college shall have an annual audit of
22 all income and expenditures performed by an independent auditor and
23 shall furnish the independent auditor's management letter and an
24 annual audited accounting of all general and current funds income
25 and expenditures including audits of college foundations to the
26 members of the senate and house appropriations subcommittees on
27 community colleges, the senate and house fiscal agencies, the
28 auditor general, the department of energy, labor, and economic
29 growth, and the state budget director before November 15, 2010. If

1 a community college fails to furnish the audit materials, the
2 monthly state aid installments shall be withheld from that college
3 until the information is submitted. All reporting shall conform to
4 the requirements set forth in the "2001 Manual for Uniform
5 Financial Reporting, Michigan Public Community Colleges."

6 Sec. 506. (1) Each community college shall report the
7 following to the department of energy, labor, and economic growth
8 no later than November 1, 2010:

9 (a) The number of North American Indian students enrolled each
10 term for the previous fiscal year, using guidelines and procedures
11 developed by the department of energy, labor, and economic growth
12 and the Michigan commission on Indian affairs.

13 (b) The number of North American Indian tuition waivers
14 granted each term, and the monetary value of the waivers for the
15 previous fiscal year.

16 (2) Colleges shall use the criteria cited in 1976 PA 174, MCL
17 390.1251 to 390.1253, to determine eligibility for tuition waivers,
18 and shall grant those waivers to individuals who meet the criteria
19 and request tuition waivers.

20 Sec. 507. Upon request, a community college shall inform
21 interested Michigan high schools of the aggregate academic status
22 of its students for the prior academic year, in a manner prescribed
23 by the Michigan community college association and in cooperation
24 with the Michigan association of secondary school principals.

25 Sec. 508. Each community college shall report to the house and
26 senate fiscal agencies, the state budget director, and the
27 department of energy, labor, and economic growth by August 31,
28 2010, the tuition and mandatory fees paid by a full-time in-
29 district student and a full-time out-of-district student as

1 established by the college governing board for the 2010-2011
2 academic year. This report should also include the annual cost of
3 attendance based on a full-time course load of 30 credits. Each
4 community college shall also report any revisions to the reported
5 2010-2011 academic year tuition and mandatory fees adopted by the
6 college governing board to the house and senate fiscal agencies,
7 the state budget director, and the department of energy, labor, and
8 economic growth within 15 days of being adopted.

9 Sec. 509. Each community college shall report to the
10 department of energy, labor, and economic growth the numbers and
11 types of associate degrees and other certificates awarded during
12 the previous fiscal year. The report shall be made not later than
13 November 15, 2010.

14 Sec. 510. A community college receiving funding under this
15 bill and also subject to the student right-to-know and campus
16 security act, Public Law 101-542, 104 Stat. 2381, shall make a copy
17 of all material prepared in accordance with the public information
18 reporting requirements under the crime awareness and campus
19 security act of 1990, title II of the student right-to-know and
20 campus security act, Public Law 101-542, 104 Stat. 2384, available
21 in hard copy and electronic format accessible through the Internet
22 for school districts, parents, and students.