

# FY 2023-24 COMMUNITY COLLEGES BUDGET

S.B. 201 (S-3): SENATE APPROPRIATIONS REC.

(as reported)

Committee: Appropriations



Throughout this document Senate means Committee Recommendation

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2022-23 YEAR-TO-DATE*	FY 2023-24 SENATE APPROPRIATIONS REC.	CHANGES FROM FY 2022-23 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions .....	0.0	0.0	N/A	N/A
<b>GROSS</b> .....	<b>529,758,000</b>	<b>562,771,800</b>	<b>33,013,800</b>	<b>6.2</b>
Less:				
Interdepartmental Grants Received .....	0	0	0	0.0
<b>ADJUSTED GROSS</b> .....	<b>529,758,000</b>	<b>562,771,800</b>	<b>33,013,800</b>	<b>6.2</b>
Less:				
Federal Funds .....	81,200,000	0	(81,200,000)	(100.0)
Local and Private.....	0	0	0	0.0
<b>TOTAL STATE SPENDING</b> .....	<b>448,558,000</b>	<b>562,771,800</b>	<b>114,213,800</b>	<b>25.5</b>
Less:				
Other State Restricted Funds.....	448,558,000	562,771,800	114,213,800	25.5
<b>GENERAL FUND/GENERAL PURPOSE</b> .....	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>
<b>PAYMENTS TO LOCALS</b> .....	<b>448,558,000</b>	<b>562,771,800</b>	<b>114,213,800</b>	<b>25.5</b>

\*As of February 7, 2023.

**Major Boilerplate Changes from FY 2022-23 Year-to-Date:**

- 1. Repealed Sections (sections in *italics* are rolled into consolidated reporting sections):** 209 (*transparency reporting*), 209a (*campus safety information and resources*), 210h (COVID-19 mandatory vaccination exemptions), 215 (*Title IX report*), 216 (Michigan Reconnect short-term training one-time grants), 216a (community college academic catch-up one-time appropriation), 216b (ADN to BSN completion one-time grants), 224 (student academic status), 225 (*tuition and mandatory fees report*), 226 (associate degree report), 226a (financial aid resources), 226b (COVID-19 report), 226d (campus free speech report), 226g (campus advocacy policy), 227 (college course equivalency exams), 227a (accelerated degree pathways), 230(5) (*tuition restraint*), 230(6) (prohibit receipt of capital outlay project if noncompliance with tuition restraint).
- 2. New Sections:** 216c (ITEM one-time appropriation guidelines), 217a (new consolidated reporting section that combines most elements {minus budget information and additional credit opportunity posting from Sec. 209} from Sec. 206, 209, 209a, and 215), 217b (new consolidated reporting section combining Sec. 225 and a portion of 230, including tuition restraint at the greater of 4.5% or \$205)

FY 2023-24 COMMUNITY COLLEGES BUDGET  
 S.B. 201 (S-3): SENATE APPROPRIATIONS REC.

FY 2022-23 Year-to-Date Appropriation .....	\$529,758,000	\$0		
	CHANGE FROM FY 2022-23 Y-T-D		FY 2023-24 RECOMMENDED APPROPRIATION	
	Gross	GF/GP	Gross	GF/GP
<b><u>Baseline Adjustments</u></b>				
<b>1. MPSERS Unfunded Actuarially Accrued Liabilities (UAAL) Stabilization Payment.</b> The Senate included additional funds for MPSERS UAAL amounts over the statutory cap of 20.96% of affected payroll.	13,200,000	0	105,800,000	0
<b>2. MPSERS Normal Cost Offset.</b> The Senate included additional funds for MPSERS normal costs, which are the present value of the cost of future retirement benefits accrued during a year of employment. This appropriation varies annually, based on market conditions, payroll growth, and various other actuarial assumptions.	12,200,000	0	23,000,000	0
<b>3. North American Indian Tuition Waiver Adjustment.</b> The Senate included an adjustment to ITW payments to colleges, based on the most recent ITW cost data submitted to the Department of Civil Rights.	(254,400)	0	1,131,800	0
<b><u>New Programs/Program Increases</u></b>				
<b>4. Community College Operations.</b> The Senate included a 6.0% increase for college operations. The increase utilizes the existing statutory performance funding formula. The formula allocates operations increases as follows: 30% based on prior year funding, 30% based on weighted contact hours, 10% based on degree and certificate completions, 10% based on completion rate, 10% based on completion rate improvement, 5% based on administrative costs, and 5% based on local strategic value.	20,390,300	0	360,228,500	0
<b>5. MPSERS Normal Cost Equalization.</b> The Senate included additional funds for MPSERS normal costs to equalize the amount of these offset funds that colleges receive relative to other MPSERS-participating entities, such school districts.	5,455,400	0	7,189,000	0

FY 2023-24 COMMUNITY COLLEGES BUDGET  
 S.B. 201 (S-3): SENATE APPROPRIATIONS REC.

	CHANGE FROM FY 2022-23 Y-T-D		FY 2023-24 RECOMMENDED APPROPRIATION	
	Gross	GF/GP	Gross	GF/GP
<b><u>Eliminations/Reductions</u></b>				
<b>6. Remove FY 2022-23 One-Time Appropriations.</b> The Senate removed 4 FY 2022-23 one-time appropriations, all of which were funded with Federal State Fiscal Recovery Fund dollars from the American Rescue Plan: \$56.0 million for ADN to BSN completion grants, \$10.0 million for community college academic catch-up, \$9.2 million for the Michigan Center for Adult College Success, and \$6.0 million for Michigan Reconnect short-term training grants.	(81,200,000)	0	0	0
<b><u>One-Time Appropriations</u></b>				
<b>7. Information Technology, Equipment, and Maintenance (ITEM) Grants.</b> The Senate included \$58.7 million in one-time School Aid Fund dollars for colleges to use on various IT, equipment, and other capital costs, including student housing. Funds are allocated to colleges based on their FY 2021-22 full-year equated student counts.	58,722,500	0	58,722,500	0
<b>8. Critical Incident Mapping.</b> The Senate included \$2.5 million one-time School Aid Fund, distributed to community colleges proportionately to each college's FY 2023-24 operations amount, for critical incident mapping.	2,500,000	0	2,500,000	0
<b>9. Workforce Development Grants.</b> The Senate included \$2.0 million in one-time School Aid Fund to be used by the Higher Education Coordinating Council (which would be created under the S-1 substitute for SB 200) to provide grants to community colleges for curriculum development for the following certificate programs: Electric vehicle battery installation/repair, utility line tree trimming, electric vehicle charger installation, nursing, and pharmacy technician.	2,000,000	0	2,000,000	0
Total Changes .....	\$33,013,800	\$0		
<b>FY 2023-24 SENATE APPROPRIATIONS REC. ....</b>	<b>\$562,771,800</b>	<b>\$0</b>		

Date Completed: 5-2-23

Fiscal Analyst: Josh Sefton

Table 1: FY 2023-24 Community College Appropriations - Governor's Recommendation

College	FY 2022-23 Appropriations				Ongoing Adjustments											Total Formula Distribution	Non-Formula / ITW Adjustments	Total Adjustments	FY 2023-24 Appropriation	Percent Change
	Operations	Perf. Funding	ITW Reimburse.	Year-To-Date	30.0% Sustainability	10.0% Performance Improvement	10.0% Performance Completion #	10.0% Performance Completion Rate	30.0% Contact Hours	5.0% Administrative Costs	5.0% Local Strategic Value									
Alpena	\$5,753,300	\$273,500	\$13,700	\$6,040,500	\$72,321	\$19,286	\$16,668	\$35,654	\$36,602	\$26,476	\$12,054	\$219,100	\$12,800	\$231,900	\$6,272,400	3.8%				
Bay de Noc	5,602,800	274,200	109,700	5,986,700	70,524	24,856	15,420	36,067	49,257	38,773	11,754	246,700	4,200	250,900	6,237,600	4.2%				
Delta	15,160,500	727,700	40,200	15,928,400	190,658	56,457	62,679	50,842	177,007	33,858	31,776	603,300	8,000	611,300	16,539,700	3.8%				
Glen Oaks	2,651,200	150,900	0	2,802,100	33,625	8,967	9,636	26,638	24,970	79	5,604	109,500	0	109,500	2,911,600	3.9%				
Gogebic	4,873,700	229,600	42,500	5,145,800	61,239	22,495	8,996	35,777	26,617	15,809	10,207	181,100	(4,600)	176,500	5,322,300	3.4%				
Grand Rapids	18,773,100	993,100	184,400	19,950,600	237,194	63,252	90,339	78,691	324,868	28,654	39,532	862,500	(62,400)	800,100	20,750,700	4.0%				
Henry Ford	22,533,100	1,167,000	31,300	23,731,400	284,401	114,271	114,989	75,840	320,109	26,748	47,400	983,800	(17,200)	966,600	24,698,000	4.1%				
Jackson	12,756,200	538,900	42,600	13,337,700	159,541	42,544	159,541	42,544	118,956	23,273	26,590	447,200	(9,300)	437,900	13,775,600	3.3%				
Kalamazoo Valley	13,099,900	676,200	56,600	13,832,700	165,313	44,083	49,784	60,541	185,334	32,029	27,552	564,600	900	565,500	14,398,200	4.1%				
Kellogg	10,267,100	487,300	27,000	10,781,400	129,053	34,414	41,209	50,387	103,196	32,109	21,509	411,900	(6,000)	405,900	11,187,300	3.8%				
Kirtland	3,358,400	219,500	23,100	3,601,000	42,935	11,449	14,422	11,449	41,339	27,446	7,156	156,200	(3,300)	152,900	3,753,900	4.2%				
Lake Michigan	5,702,700	275,700	12,400	5,990,800	71,741	55,075	19,271	19,131	79,277	15,239	11,957	271,700	(8,800)	262,900	6,253,700	4.4%				
Lansing	32,852,000	1,376,900	110,300	34,339,200	410,746	126,527	109,703	126,143	301,783	24,865	68,458	1,168,200	(46,800)	1,121,400	35,460,600	3.3%				
Macomb	34,276,100	1,635,800	38,500	35,950,400	430,942	136,708	113,804	131,192	469,261	25,041	71,824	1,378,700	(12,000)	1,366,700	37,317,100	3.8%				
Mid Michigan	5,184,400	273,700	97,600	5,557,700	65,497	23,693	17,338	17,466	75,469	17,448	10,916	227,800	(42,000)	185,800	5,741,500	3.3%				
Monroe	4,746,200	257,400	1,400	5,005,000	60,043	30,441	18,180	16,011	64,524	25,704	10,007	224,900	700	225,600	5,230,600	4.5%				
Montcalm	3,570,600	188,300	8,500	3,767,400	45,107	17,931	17,432	12,028	33,732	24,866	7,518	158,600	1,000	159,600	3,927,000	4.2%				
Mott	16,440,000	658,300	28,800	17,127,100	205,179	54,714	53,526	54,714	127,385	24,979	34,197	554,700	2,700	557,400	17,684,500	3.3%				
Muskegon	9,289,100	444,300	42,000	9,775,400	116,801	42,902	30,404	47,629	95,602	29,185	19,467	382,000	(29,300)	352,700	10,128,100	3.6%				
North Central	3,389,300	226,600	163,900	3,779,800	43,391	40,990	15,779	27,641	43,582	23,690	7,232	202,300	(21,700)	180,600	3,960,400	4.8%				
Northwestern <sup>1</sup>	9,567,100	439,700	155,500	10,162,300	120,081	37,899	28,876	49,009	94,807	22,490	20,014	373,200	(137,800)	235,400	10,397,700	2.3%				
Oakland	22,211,700	1,257,800	35,800	23,505,300	281,633	75,102	114,054	92,712	373,250	27,597	46,939	1,011,300	(13,500)	997,800	24,503,100	4.2%				
Schoolcraft	13,196,200	743,300	21,200	13,960,700	167,274	53,475	66,826	44,606	231,586	26,230	27,879	617,900	9,500	627,400	14,588,100	4.5%				
Southwestern	6,979,400	353,400	27,100	7,359,900	87,993	43,542	14,859	42,201	53,345	23,430	14,666	280,000	(14,400)	265,600	7,625,500	3.6%				
St. Clair	7,385,200	401,400	18,600	7,805,200	93,439	35,503	39,619	42,176	92,887	19,870	15,573	339,100	(2,600)	336,500	8,141,700	4.3%				
Washtenaw	13,855,900	995,400	23,700	14,875,000	178,215	68,943	176,732	64,747	308,038	32,950	29,703	859,300	(11,000)	848,300	15,723,300	5.7%				
Wayne County	17,593,400	782,700	8,600	18,384,700	220,513	58,803	56,271	58,803	201,982	20,651	36,752	653,800	(4,000)	649,800	19,034,500	3.5%				
West Shore	2,585,600	135,400	21,200	2,742,200	32,652	15,029	8,763	8,707	23,286	10,186	5,442	104,100	(6,800)	97,300	2,839,500	3.5%				
<b>Subtotal Operations:</b>	<b>\$323,654,200</b>	<b>\$16,184,000</b>	<b>\$1,386,200</b>	<b>\$341,224,400</b>	<b>\$4,078,051</b>	<b>\$1,359,351</b>	<b>\$1,359,351</b>	<b>\$1,359,346</b>	<b>\$4,078,051</b>	<b>\$679,675</b>	<b>\$679,678</b>	<b>\$13,593,500</b>	<b>(\$413,700)</b>	<b>\$13,179,800</b>	<b>\$354,404,200</b>	<b>3.9%</b>				
MPSERS Normal Cost Offset				\$10,800,000											\$12,200,000	\$12,200,000	\$23,000,000	113.0%		
MPSERS Retiree Health Care				1,733,600											5,455,400	5,455,400	7,189,000	314.7%		
MPSERS Reform Costs				92,600,000											13,200,000	13,200,000	105,800,000	14.3%		
Renaissance Zone Reimbursements				2,200,000											0	0	2,200,000	0.0%		
Michigan Reconnect Short-Term Training (one-time)				6,000,000											(6,000,000)	(6,000,000)	0	(100.0%)		
Michigan Center for Adult College Success (one-time)				9,200,000											(9,200,000)	(9,200,000)	0	(100.0%)		
Community College Academic Catchup (one-time)				10,000,000											(10,000,000)	(10,000,000)	0	(100.0%)		
ADN to BSN Completion Grants (one-time)				56,000,000											(56,000,000)	(56,000,000)	0	(100.0%)		
<b>Total Appropriations:</b>				<b>\$529,758,000</b>	<b>\$4,078,051</b>	<b>\$1,359,351</b>	<b>\$1,359,351</b>	<b>\$1,359,346</b>	<b>\$4,078,051</b>	<b>\$679,675</b>	<b>\$679,678</b>	<b>\$13,593,500</b>	<b>(\$50,758,300)</b>	<b>(\$37,164,800)</b>	<b>\$492,593,200</b>	<b>(7.0%)</b>				
Federal Coronavirus SFRF				\$81,200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$81,200,000)	(\$81,200,000)	\$0	\$0	(100.0%)			
State School Aid Fund				448,558,000	\$4,078,051	1,359,351	1,359,351	1,359,346	4,078,051	679,675	679,678	\$13,593,500	\$30,441,700	\$44,035,200	\$492,593,200	9.8%				
GF/GP				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%			

<sup>1</sup> ITW reimbursements are based on the ITW costs reported by institutions in the prior fiscal year. A technical error in the Governor's Recommendation shows Northwestern Michigan College's cost as \$17,700; the actual cost was \$177,000. The correct amount for Northwestern's ITW adjustment is \$21,500, not (\$137,800).





Table 3: FY 2023-24 Community College Appropriations

College	FY 2022-23 Year-To-Date	FY 2023-24 Governor's Recommendation			FY 2023-24 Senate		
		Adjustments	Appropriation	Percent Change	Adjustments	Appropriation	Percent Change
Alpena	\$6,040,500	\$231,900	\$6,272,400	3.8%	\$846,500	\$6,887,000	14.0%
Bay de Noc	5,986,700	250,900	6,237,600	4.2	1,087,900	7,074,600	18.2
Delta	15,928,400	611,300	16,539,700	3.8	3,594,000	19,522,400	22.6
Glen Oaks	2,802,100	109,500	2,911,600	3.9	563,700	3,365,800	20.1
Gogebic	5,145,800	176,500	5,322,300	3.4	613,300	5,759,100	11.9
Grand Rapids	19,950,600	800,100	20,750,700	4.0	5,800,700	25,751,300	29.1
Henry Ford	23,731,400	966,600	24,698,000	4.1	6,167,700	29,899,100	26.0
Jackson	13,337,700	437,900	13,775,600	3.3	2,395,500	15,733,200	18.0
Kalamazoo Valley	13,832,700	565,500	14,398,200	4.1	3,480,500	17,313,200	25.2
Kellogg	10,781,400	405,900	11,187,300	3.8	1,908,000	12,689,400	17.7
Kirtland	3,601,000	152,900	3,753,900	4.2	701,300	4,302,300	19.5
Lake Michigan	5,990,800	262,900	6,253,700	4.4	1,427,900	7,418,700	23.8
Lansing	34,339,200	1,121,400	35,460,600	3.3	5,710,600	40,049,800	16.6
Macomb	35,950,400	1,366,700	37,317,100	3.8	8,698,000	44,648,400	24.2
Mid Michigan	5,555,700	185,800	5,741,500	3.3	1,424,600	6,980,300	25.6
Monroe	5,005,000	225,600	5,230,600	4.5	1,186,500	6,191,500	23.7
Montcalm	3,767,400	159,600	3,927,000	4.2	733,400	4,500,800	19.5
Mott	17,127,100	557,400	17,684,500	3.3	3,352,100	20,479,200	19.6
Muskegon	9,775,400	352,700	10,128,100	3.6	1,996,500	11,771,900	20.4
North Central	3,779,800	180,600	3,960,400	4.8	806,400	4,586,200	21.3
Northwestern	10,162,300	235,400	10,397,700	2.3	1,846,800	12,009,100	18.2
Oakland	23,505,300	997,800	24,503,100	4.2	7,094,200	30,599,500	30.2
Schoolcraft	13,960,700	627,400	14,588,100	4.5	4,361,200	18,321,900	31.2
Southwestern	7,359,900	265,600	7,625,500	3.6	1,094,000	8,453,900	14.9
St. Clair	7,805,200	336,500	8,141,700	4.3	1,734,900	9,540,100	22.2
Washtenaw	14,875,000	848,300	15,723,300	5.7	5,680,700	20,555,700	38.2
Wayne County	18,384,700	649,800	19,034,500	3.5	4,056,000	22,440,700	22.1
West Shore	2,742,200	97,300	2,839,500	3.5	495,500	3,237,700	18.1
<b>Subtotal Operations:</b>	<b>\$341,224,400</b>	<b>\$13,179,800</b>	<b>\$354,404,200</b>	<b>3.9%</b>	<b>\$78,858,400</b>	<b>\$420,082,800</b>	<b>23.1%</b>
MPERS Normal Cost Offset	\$10,800,000	\$12,200,000	\$23,000,000	113.0%	\$12,200,000	\$23,000,000	113.0%
MPERS Retiree Health Care	1,733,600	5,455,400	7,189,000	314.7	5,455,400	7,189,000	314.7
MPERS Reform Costs	92,600,000	13,200,000	105,800,000	14.3	13,200,000	105,800,000	14.3
Renaissance Zone Reimbursements	2,200,000	0	2,200,000	0.0	0	2,200,000	0.0
Critical incident mapping	0	0	0	N/A	2,500,000	2,500,000	N/A
Michigan workforce development projects	0	0	0	N/A	2,000,000	2,000,000	N/A
Michigan Reconnect Short Term Training	6,000,000	(6,000,000)	0	(100.0)	(6,000,000)	0	(100.0)
Michigan Center for Adult College Suc.	9,200,000	(9,200,000)	0	(100.0)	(9,200,000)	0	(100.0)
Comm Col. Academic Catch-Up Program	10,000,000	(10,000,000)	0	(100.0)	(10,000,000)	0	(100.0)
ADN to BSN Completion Grants	56,000,000	(56,000,000)	0	(100.0)	(56,000,000)	0	(100.0)
<b>Total Appropriations:</b>	<b>\$529,758,000</b>	<b>(\$37,164,800)</b>	<b>\$492,593,200</b>	<b>(7.0%)</b>	<b>\$33,013,800</b>	<b>\$562,771,800</b>	<b>6.2%</b>
<b>Federal Coronavirus SFRF</b>	<b>\$81,200,000</b>	<b>(\$81,200,000)</b>	<b>\$0</b>	<b>(100.0)</b>	<b>(\$81,200,000)</b>	<b>\$0</b>	<b>(100.0)</b>
<b>State School Aid Fund</b>	<b>448,558,000</b>	<b>44,035,200</b>	<b>492,593,200</b>	<b>9.8</b>	<b>114,213,800</b>	<b>562,771,800</b>	<b>25.5</b>
<b>GF/GP</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>

