

FY 2023-24 COMMUNITY COLLEGES BUDGET

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

(as reported)

Committee: Appropriations



Throughout this document Senate means Subcommittee Recommendation

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

*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 Repealed Sections (sections in *italics* are rolled into consolidated reporting sections):** 209 (*transparency reporting*), 209a (*campus safety information and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)

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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
<u>Baseline Adjustments</u>				
1. MPSERS Unfunded Actuarially Accrued Liabilities (UAAL) Stabilization Payment. 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
2. MPSERS Normal Cost Offset. 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
3. North American Indian Tuition Waiver Adjustment. 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
<u>New Programs/Program Increases</u>				
4. Community College Operations. 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
5. MPSERS Normal Cost Equalization. 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

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	CHANGE FROM FY 2022-23 Y-T-D		FY 2023-24 RECOMMENDED APPROPRIATION	
	Gross	GF/GP	Gross	GF/GP
<u>Eliminations/Reductions</u>				
6. Remove FY 2022-23 One-Time Appropriations. 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
<u>One-Time Appropriations</u>				
7. Information Technology, Equipment, and Maintenance (ITEM) Grants. 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
8. Critical Incident Mapping. 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
9. Workforce Development Grants. 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		
FY 2023-24 SENATE SUBCOMMITTEE REC.....	\$562,771,800	\$0		

Date Completed: 4-26-23

Fiscal Analyst: Josh Sefton

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
Subtotal Operations:	\$341,224,400	\$13,179,800	\$354,404,200	3.9%	\$78,858,400	\$420,082,800	23.1%
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)
Total Appropriations:	\$529,758,000	(\$37,164,800)	\$492,593,200	(7.0%)	\$33,013,800	\$562,771,800	6.2%
Federal Coronavirus SFRF	\$81,200,000	(\$81,200,000)	\$0	(100.0)	(\$81,200,000)	\$0	(100.0)
State School Aid Fund	448,558,000	44,035,200	492,593,200	9.8	114,213,800	562,771,800	25.5
GF/GP	\$0	\$0	\$0	0.0%	\$0	\$0	0.0%

