

# SENATE BILL No. 309

EXECUTIVE BUDGET

February 16, 1995, Introduced by Senators SCHWARZ, CISKY, CONROY and STEIL 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, 1996; to provide for the expenditures of those appropriations; and to prescribe the powers and duties of certain state departments, institutions, agencies, and officers.

# THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 101. There is appropriated for the state institutions of higher education and certain state purposes related to education, and subject to the conditions set forth in this act, for the fiscal year ending September 30, 1996, the following respective amounts: 1 HIGHER EDUCATION

2	APPROPRIATIONS SUMMARY:
3	GROSS APPROPRIATION
4	Interdepartmental grant revenues:
5	Total interdepartmental grants and
6	intradepartmental transfers 0
7	ADJUNTED GROSS APPROPRIATION
8	Federal revenues:
9	Total federal revenues
10	Special revenue funds:
11	Total local revenues 0
12	Total private revenues 0
13	Total other state restricted revenues 0
14	State general fund/general purpose \$ 1,428,530,396
15	CENTRAL MICHIGAN UNIVERSITY
16	Operations
17	Higher education charter school center
18	GROSS APPROPRIATION
19	Appropriated from:
20	State general fund/general purpose \$ 64,069,739
21	EASTERN MICHIGAN UNIVERSITY
22	Operations
23	GROSS APPROPRIATION
24	Appropriated from:
25	State general fund/general purpose \$ 69,967,731
26	FERRIS STATE UNIVERSITY
27	Operations
28	GROSS APPROPRIATION
29	Appropriated from:

1	State general fund/general purpose \$ 4	4,315,280
2	GRAND VALLEY STATE UNIVERSITY	
3	Operations	7,205,505
4	GROSS APPROPRIATION \$ 3	7,205,505
5	Appropriated from:	
6	State general fund/general purpose \$ 3	7,205,505
7	LAKE SUPERIOR STATE UNIVERSITY	
8	Operations	1,259,868
9	GROSS APPROPRIATION	1,259,868
10	Appropriated from:	
11	State general fund/general purpose \$ 1	1,259,868
12	MICHIGAN STATE UNIVERSITY	
13	Operations	5,674,235
14	GROSS APPROPRIATION	5,674,235
15	Appropriated from:	
16	State general fund/general purpose \$ 25	5,674,235
17	MICHIGAN TECHNOLOGICAL UNIVERSITY	
18	Operations	3,112,857
19	GROSS APPROPRIATION	3,112,857
20	Appropriated from:	
21	State general fund/general purpose \$	3,112,857
22	NORTHERN MICHIGAN UNIVERSITY	
23	Operations	2,117,660
24	GROSS APPROPRIATION	2,117,660
25	Appropriated from:	
26	State general fund/general purpose \$	2,117,660
27	OAKLAND UNIVERSITY	
28	Operations	8,267,422
29	GROSS APPROPRIATION	8,267,422

For Fiscal Year Ending September 30, 1996

1	Appropriated from:
2	State general fund/general purpose \$ 38,267,422
3	SAGINAW VALLEY STATE UNIVERSITY
4	Operations
5	GROSS APPROPRIATION
6	Appropriated from:
7	State general fund/general purpose \$ 18,380,572
8	UNIVERSITY OF MICHIGAN-ANN ARBOR
9	Operations
10	GROSS APPROPRIATION
11	Appropriated from:
12	State general fund/general purpose \$ 288,746,981
13	UNIVERSITY OF MICHIGAN-DEARBORN
14	Operations
15	GROSS APPROPRIATION
16	Appropriated from:
17	State general fund/general purpose \$ 19,826,414
18	UNIVERSITY OF MICHIGAN-FLINT
19	Operations
20	GROSS APPROPRIATION
21	Appropriated from:
22	State general fund/general purpose \$ 17,916,995
23	WAYNE STATE UNIVERSITY
24	Operations
25	GROSS APPROPRIATION
26	Appropriated from:
27	State general fund/general purpose \$ 205,178,006
28	WESTERN MICHIGAN UNIVERSITY
29	Operations

	5 For Fiscal Year Ending September 30, 1996
1	GROSS APPROPRIATION
2	Appropriated from:
3	State general fund/general purpose \$ 97,639,701
4	STATE AND REGIONAL PROGRAMS
5	Agricultural experiment station \$ 27,437,137
6	Cooperative extension service
7	Japan center for Michigan universities
8	Higher education database modernization
9	and conversion
10	GROSS APPROPRIATION
11	Appropriated from:
12	State general fund/general purpose \$ 51,617,873
13	MARTIN LUTHER KING, JRCESAR CHAVEZ-ROSA
14	PARKS PROGRAMS
15	Select student supportive services \$ 1,774,992
16	Michigan college/university partnership program . 532,498
17	Visiting professors program
18	GROSS APPROPRIATION
19	Appropriated from:
20	State general fund/general purpose \$ 2,457,077
21	GRANTS AND FINANCIAL AID
22	State competitive scholarships \$ 30,563,177
23	Tuition grants         53,540,723
24	Michigan work study program 6,611,391
25	Part-time independent student program 2,394,394
26	Grant for Michigan resident dental graduates 4,167,081
27	Grant for general degree graduates 4,788,354
28	Grant for allied health graduates
29	Phase-out of reimbursements for

1	Indian tuition waivers
2	Michigan education opportunity grants 1,880,771
3	Paul Douglas teacher scholarship program 750,000
4	Robert C. Byrd honors scholarship program 1,100,000
5	Tuition incentive program
6	GROSS APPROPRIATION
7	Appropriated from:
8	Federal revenues:
9	DED-OPSE, grants to state for state student
10	incentives
11	DED-OPSE, Douglas teacher scholarships 750,000
12	DED-OPSE, Byrd honors scholarships 1,100,000
13	State general fund/general purpose \$ 120,776,480
14	GENERAL SECTIONS

15 Sec. 201. The expenditures and funding sources authorized under 16 this bill are subject to the management and budget act, Act No. 431 of 17 the Public Acts of 1984, being sections 18.1101 to 18.1594 of the 18 Michigan Compiled Laws.

Sec. 202. (1) For institutions with fiscal years ending June 30, 19 20 1996, the sums appropriated in this act are appropriated for their 21 fiscal years ending June 30, 1996 and shall be paid out of the state 22 treasury and distributed by the state treasurer to the respective 23 institutions in 9 monthly installments for the period October 1, 1995 24 to June 30, 1996 pursuant to Act No. 190 of the Public Acts of 1991, 25 being sections 487.2101 to 487.2105 of the Michigan Compiled Laws. For 26 an institution with a fiscal year ending September 30, 1996, the sums 27 appropriated in this act are appropriated for the fiscal year ending 28 September 30, 1996 and shall be paid out of the state treasury and 29 distributed by the state treasurer in 12 monthly installments for the

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period October 1, 1995 to September 30, 1996, pursuant to Act No. 190 of the Public Acts of 1991, being sections 487.2101 to 487.2105 of the Michigan Compiled Laws. The amount distributed to an institution shall not exceed the net appropriations plus additional distributions specifically authorized by this act.

6 (2) All universities shall submit HEIDI data and associated 7 financial and program information requested by and in a manner 8 prescribed by the state budget director. For universities with fiscal 9 years ending June 30, 1995, these data shall be submitted to the 10 department of management and budget by October 15, 1995. Universities 11 with a fiscal year ending September 30, 1995, shall submit preliminary 12 HEIDI data by November 15, 1995.

(3) If the appropriations for the Martin Luther King, Jr.-Cesar Chavez-Rosa Parks programs are not committed or awarded by April 1, 1996, the funds shall become subject to legislative transfer. Any unexpended and unencumbered funds remaining on September 30, 1996 from the amount appropriated for the Martin Luther King, Jr.-Cesar Chavez-Rosa Park programs shall lapse on September 30, 1996, and shall be returned to the state general fund.

(4) A detailed description of procedures utilized to arrive at the
amounts appropriated in section 101 shall be submitted to each
institution by the senate and house fiscal agencies.

23 Sec. 203. Money received by the state from the federal government 24 or private sources for the use of a college or university is 25 appropriated for the purpose for which it was provided. The acceptance 26 and use of federal or private funds shall not place an obligation upon 27 the legislature to continue the purposes for which the funds are made 28 available.

29 Sec. 204. (1) Guidelines and procedures developed by the state 30 universities, through the presidents council, and in cooperation with

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the Michigan commission on Indian affairs and the Michigan department of education, shall be used to ensure accurate and consistent reporting of North American Indian student enrollments. The distribution of state supported and federally supported campus-based financial aid awards which are designated for students on the basis of their North American Indian status shall comply with the guidelines and procedures developed pursuant to this section.

8 (2) As used in this section, "North American Indian" means that 9 term as defined in section 2 of Act No. 174 of the Public Acts of 1976, 10 being section 390.1252 of the Michigan Compiled Laws or as certified by 11 a tribal organization.

Sec. 205. All universities shall furnish all program and financial information that is required by and in a manner prescribed by the director of the department of management and budget or the house or senate appropriations committee.

16 Sec. 206. As used in this act:

17 (a) "DED" means the United States department of education.

18 (b) "DED-OPSE" means DED office of postsecondary education.

19 (c) "HEIDI" means higher education data inventory.

20 GRANTS AND FINANCIAL AID

Sec. 301. (1) Payments of the amounts included in section 101 for the state competitive scholarship program shall be distributed pursuant to Act No. 208 of the Public Acts of 1964, being sections 390.971 to 390.981 of the Michigan Compiled Laws. The maximum per award shall be \$1,200.00.

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

30 (3) If a student who receives an award under this section has his

or her tuition and fees paid under the Michigan educational trust program, pursuant to the Michigan education trust act, Act No. 316 of the Public Acts of 1986, being sections 390.1421 to 390.1444 of the Michigan Compiled Laws, and still has financial need, the funds awarded under this section may be used for educational expenses other than tuition and fees.

Sec. 302. (1) The amounts appropriated in section 101 for the state
tuition grant program shall be distributed pursuant to Act No. 313 of
the Public Acts of 1966, being sections 390.991 to 390.997a of the
Michigan Compiled Laws. The maximum per grant shall be \$2,300.00.

(2) Tuition grant awards shall be made to all eligible Michigan
 residents who apply before September 1, 1995, and who are qualified.

(3) The Michigan higher education assistance authority shall 13 determine an actual maximum tuition grant award per student that 14 15 ensures that the aggregate payments for the tuition grant program do 16 not exceed the appropriation contained in section 101 for the state tuition grant program. By October 15, 1995, and again by December 15, 17 1995, the authority shall analyze the status of award commitments, 18 19 shall make any necessary adjustments, and shall confirm that those 20 award commitments will not exceed the appropriation contained in 21 section 101 for the tuition grant program. The determination and 22 actions shall be reported to the department of management and budget 23 and the house and senate appropriation subcommittees on higher 24 education no later than December 15, 1995. If award adjustments are necessary, the students shall be notified of the adjustment by the 25 26 third Monday in January.

(4) Any unexpended and unencumbered funds remaining on September
30, 1996 from the amounts appropriated in section 101 for the tuition
grant program shall not lapse on September 30, 1996, but shall continue
to be available for expenditure for tuition grants provided in the

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1996-97 fiscal year. Use of these unexpended fiscal year 1995-96 funds
 shall terminate at the end of the 1996-97 fiscal year.

3 (5) The Michigan higher education assistance authority shall continue a proportional tuition grant maximum award level for 4 5 recipients enrolled less than full-time in a given semester or term. 6 Sec. 303. (1) Included in the appropriation in section 101 is 7 funding for the Michigan work study program established under Act No. 288 of the Public Acts of 1986, being sections 390.1371 to 390.1382 of 8 9 the Michigan Compiled Laws, and Act No. 303 of the Public Acts of 1986, 10 being sections 390.1321 to 390.1332 of the Michigan Compiled Laws. An effort should be made by each institution participating in the Michigan 11 work study program to ensure that not less than 10% of those 12 13 undergraduate, graduate, and professional students eligible to 14 participate in the program are placed with for-profit employers no later than December 31, 1995. 15

16 (2) The Michigan higher education assistance authority shall
17 allocate funds to institutions eligible for work study money based upon
18 each institution's specific Pell grant index and each institution's
19 utilization rate of work study funds for the three most recent years
20 for which statistics are available.

(3) The Michigan higher education assistance authority shall set
aside not more than 5% of the total work study appropriation to process
requests from participating institutions for allocation adjustments.
Allocation adjustments shall be based on criteria set by the authority
prior to making the allocations under subsection (2).

Sec. 304. (1) Payments of the amounts included in section 101 for the general degree reimbursement program established under Act No. 75 of the Public Acts of 1974, being sections 390.1021 to 390.1027 of the Michigan Compiled Laws, shall be made for all degrees identified in section 1(1) of Act No. 75 of the Public Acts of 1974, being section

390.1021 of the Michigan Compiled Laws, except doctor of dental
 surgery, doctor of dental medicine, juris doctor law, and allied health
 degrees.

4 (2) The reimbursement rate per eligible degree shall be the equally 5 prorated amount permitted by the appropriation, except that the amount 6 of the reimbursement for each associate degree shall be one-half of the 7 rate of reimbursement for the other degrees eligible under subsection 8 (1) for the general degree reimbursement program.

9 (3) From the general degree reimbursement program, \$135,300.00 10 shall be provided to Spring Arbor College for the southern Michigan 11 state prison program.

(4) From the general degree reimbursement program, \$200,500.00
shall be provided to the University of Detroit-Mercy for graduate
research aid.

(5) From the general degree reimbursement program, \$30,100.00 shall
 be provided to Marygrove College for learning clinics.

(6) From the general degree reimbursement program, \$50,000.00 shall
be provided to Suomi College for career education programs.

Sec. 305. The reimbursement rate per eligible degree under the allied health degree reimbursement program established under Act No. 75 of the Public Acts of 1974, being sections 390.1021 to 390.1027 of the Michigan Compiled Laws, shall be the equally prorated amount permitted by the appropriation included in section 101.

Sec. 306. Funds disbursed through the degree reimbursement programs shall not be used by any recipient institution for theology or divinity programs.

27 Sec. 307. (1) Funds appropriated in section 101 for the Indian 28 tuition waiver program are to be established as a work project to 29 provide reimbursement for tuition waivers for eligible students 30 enrolled in classes for academic years 1993-94 and 1994-95 including

1 summer term enrollment 1995. All other funding for the Indian tuition 2 waiver program is discontinued.

3 (2) The funds appropriated in section 101 shall be used to pay for 4 tuition waived by public colleges and universities and Bay Mills 5 community college for eligible students that received waivers for 6 academic years 1993-94 and 1994-95 including summer term enrollment 7 1995. No payments shall be made for any class or classes beginning on or after July 1, 1995. 8

9 (3) The outstanding payments shall be reviewed and authorized using the same criteria and in the same manner and process used prior to the 10 program discontinuance. No payments shall be made for claims submitted 11 12 after June 30, 1996. It is anticipated that all payments and 13 reconciliation of the program will be completed by October 1, 1997. 14 Sec. 308. The auditor general shall audit selected enrollments, 15 degrees, and awards at selected independent colleges and universities

receiving awards administered by the department of education. The 17 audits shall be based upon definitions and requirements established by 18 the department of management and budget and the senate and house fiscal 19 agencies. The auditor general shall submit a report of findings to the 20 senate and house appropriations committees not later than May 1, 1996.

21 Sec. 309. The sums appropriated in section 101 for the student 22 financial aid and degree reimbursement programs shall be paid out of the state treasury and shall be distributed to the respective 23 institutions in accordance with a quarterly payment system as follows: 24

25 (a) For the state competitive scholarship, tuition incentive, and tuition grant programs, 40% shall be paid at the beginning of the 26 27 state's first fiscal quarter, 40% at the beginning of the state's 28 second fiscal quarter, 10% at the beginning of the state's third fiscal 29 quarter, and 10% at the beginning of the state's fourth fiscal quarter. 30 (b) For the work-study program, payments shall be made in 9 monthly

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installments from October 1 to June 30 of any year.

(c) For the part-time independent student program and Michigan
education opportunity grant program, 50% shall be paid at the beginning
of the state's first fiscal quarter, 25% at the beginning of the
state's second fiscal quarter, and 25% at the beginning of the state's
third fiscal quarter.

7 (d) For the Byrd honor scholarship program, general degree 8 reimbursement program, allied health degree reimbursement program, 9 Michigan resident dental grant program, phase-out of reimbursements for 10 Indian tuition waivers, and Paul Douglas teacher scholarship program, 11 50% shall be paid at the beginning of the state's first fiscal quarter, 12 and 50% at the beginning of the state's second fiscal quarter.

13 Sec. 310. The Michigan higher education assistance authority shall 14 determine the needs analysis criteria for students to qualify for the 15 competitive scholarship program and tuition grant program. To be 16 consistent with federal requirements, student wages may be taken into 17 consideration when determining the amount of the award.

18 Sec. 311. (1) The funds appropriated in section 101 for the tuition 19 incentive program/high school completion program shall be distributed 20 as provided in this section and pursuant to the administrative 21 procedures for the tuition incentive program/high school completion 22 program of the department of social services.

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(2) As used in this section:

(a) "Phase I" means the first part of the tuition incentive
assistance program defined as the academic period of 80 semester or 120
term credits, or less, leading to an associate degree or certificate.
(b) "Phase II" means the second part of the tuition incentive
assistance program which provides assistance in the third and fourth
year of 4-year degree programs.

30 (c) "Department" means the department of social services.

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

3 (a) To be eligible for phase I, a person shall meet all of the 4 following criteria:

5 (*i*) Apply for certification to the department prior to graduating 6 from high school or completing the general education development (GED) 7 certificate.

8 (*ii*) Be less than 20 years of age at the time of high school 9 graduation or GED completion.

(*iii*) Be a United States citizen and a resident of Michigan
according to institutional criteria.

12 (*iv*) Be at least a half-time student, earning less than 80 semester 13 or 120 term credits at a participating educational institution within 4 14 years of high school graduation or GED certificate completion.

(b) To qualify for phase II, a person shall meet either of thefollowing criteria in addition to the criteria in subdivision (a):

17 (i) Complete at least 56 transferable semester or 84 transferable18 term credits.

(*ii*) Obtain an associate degree or certificate at a participating
 institution.

(c) To participate in phase I or phase II, a person must be financially eligible as determined by the department. A person is eligible for the tuition incentive program if that person was medicaid eligible for 24 months within the 36 months prior to application. Certification of eligibility may begin in the sixth grade and continue until the time of enrollment in a participating institution.

(4) For phase I, the department shall provide payment on behalf of
a person eligible under subsection (3). The department shall reject
billings that are excessive or outside the guidelines for the type of
educational institution.

(5) For phase I, all of the following apply:

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

5 (b) For persons enrolled at a Michigan community college, the 6 department shall pay the current in-district tuition and mandatory 7 fees. For persons residing in an area that is not included in any 8 community college district, the out-of-district tuition rate may be 9 authorized.

10 (c) For persons enrolled at a Michigan public university or a 11 Michigan independent, nonprofit degree granting college or university, 12 or a Michigan federal tribally controlled community college, the 13 department shall pay mandatory fees for the current year and a per 14 credit payment that does not exceed the average community college 15 in-district per credit tuition rate as reported on August 1, for the 16 immediately preceding academic year.

(6) A person participating in phase II may be eligible for
additional funds not to exceed \$500.00 per semester or \$400.00 per term
up to a maximum of \$2,000.00 subject to the following conditions:

20 (a) Credits are earned in a 4-year program at a Michigan degree
21 granting 4-year college or university.

(b) The tuition reimbursement is for coursework completed within 30months of completion of the phase I requirements.

24 (7) Program payments shall not be used by any recipient for25 theology or divinity courses.

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

30 (9) Applications for the tuition incentive program may be approved

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at any time after the student completes the sixth grade. If a
 determination of financial eligibility is made, that determination is
 valid as long as the student meets all other program requirements and
 conditions.

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

9 (11) The department shall ensure that the tuition incentive program 10 is well publicized and that potentially eligible medicaid clients are 11 provided information on the program.

### 12 STATE UNIVERSITIES

Sec. 401. The University of Michigan biological station at Douglas Lake in Cheboygan County is regarded as a unique resource and is designated as a special research reserve. No state programs or policies shall be developed that would have a deleterious impact on the research value of Douglas Lake.

Sec. 402. Included in section 101 is funding for the higher education charter school center at Central Michigan University. This center will serve as a resource to universities and community colleges, and will provide technical assistance to prospective authorizing agencies, the department of education, and parents on establishing and operating a charter school.

Sec. 403. (1) Included in section 101 in the appropriation to Wayne State University is \$5,268,429.00 for the Joseph F. Young, Sr. psychiatric research and training program. Wayne State University shall use these funds for psychiatric laboratory and clinical research, training, and treatment services. Within the available appropriation, services shall not be denied to any patient who meets established research guidelines for treatment on the basis of personal financial

circumstances, age, geographic residence, or projected/actual length of
 treatment as medically warranted.

3 (2) Wayne State University shall report the following information4 to the department of mental health by November 1, 1996:

5 (a) The number and type of psychiatric research projects to be 6 funded by this appropriation.

7 (b) The number and type of students to be trained and the location 8 of training funded by this appropriation.

9 (c) Demographic data regarding the number and profile of patients 10 to receive psychiatric services funded by the appropriation and a 11 profile of the services provided.

(d) A summary budget outlining major expenditure categories and anyfirst and third party reimbursements.

(3) Copies of these reports shall also be provided to the house and senate appropriations higher education subcommittees, the house and senate appropriations mental health subcommittees, the house and senate fiscal agencies, and the department of management and budget.

18 Sec. 404. Included in section 101 is funding to support the 19 operations of the Japan center for Michigan universities. These funds 20 can be used to satisfy the match requirements in section 902 of Act No. 21 312 of the Public Acts of 1994.

Sec. 405. Included in section 101 is one-time funding to support modernization and conversion of the higher education database (HEIDI). The department of management and budget, in consultation with the house fiscal agency and senate fiscal agency, shall have the responsibility of effecting the conversion.

27 Sec. 406. Adjustments in funding for university operations reflect 28 a combination of general increases and special adjustments to the base 29 operating budgets of universities with low levels of state 30 appropriations relative to enrollment and mission.

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

2 Sec. 501. (1) Included in section 101 is funding for the Martin 3 Luther King, Jr.-Cesar Chavez-Rosa Parks select student support 4 services program for developing academically and economically 5 disadvantaged student retention programs for 4-year public and 6 independent educational institutions in this state.

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

10 (3) The program shall be administered by the office of minority11 equity in the Michigan department of education.

12 (4) Of the amount appropriated in section 101 for the Martin Luther King, Jr.-Cesar Chavez-Rosa Parks select student support services 13 program, an amount not to exceed \$50,000.00 shall be used to conduct 14 15 performance audits of the Martin Luther King, Jr.-Cesar Chavez-Rosa 16 Parks programs. The performance audit shall include a review of the 17 select student support services program, the Michigan college/ 18 university partnership program, and the visiting professors program. 19 The performance audit shall be principally designed to determine if the 20 King-Chavez-Parks programs are meeting their intended goals of 21 increasing the presence and success of underrepresented minorities in 22 postsecondary education. The department of education shall contract 23 with an outside audit firm to perform the reviews. The office of 24 minority equity and the department of management and budget shall 25 develop the performance audit specifications.

Sec. 502. (1) Included in section 101 is funding for the Martin Luther King, Jr.-Cesar Chavez-Rosa Parks linkage program between 4-year universities and public community colleges, which is intended to increase the number of underrepresented minority students who transfer from community colleges into baccalaureate programs.

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

5 (3) The program shall be administered by the office of minority 6 equity in the Michigan department of education.

7 Sec. 503. (1) Included in the appropriation in section 101 is 8 funding for the Martin Luther King, Jr.-Cesar Chavez-Rosa Parks 9 visiting professors program which is intended to increase the number of 10 minority instructors in the classroom and provide role models for 11 underrepresented minority students.

(2) The program shall be administered by the office of minorityequity in the Michigan department of education.

## 14 UNIVERSITY SERVICE TO K-12 EDUCATION

Sec. 601. From the amount appropriated in section 101 for state universities, the state universities shall systematically inform Michigan high schools regarding the academic status of students from each high school in a manner prescribed by the presidents council, state universities of Michigan, in cooperation with the Michigan association of secondary school principals.

## 21 GENERAL REPORTS AND AUDITS

Sec. 701. (1) The auditor general shall audit enrollments at 5 22 23 randomly selected public universities. The audits shall be based upon 24 the definitions and requirements established by the department of 25 management and budget and the senate and house fiscal agencies. The 26 audits shall be based on uniform reporting categories and shall include HEIDI data. The auditor general shall submit a report of findings to 27 28 the house and senate appropriations committees no later than March 1, 1996. 29

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

(a) Student credit hours generated through correspondence courses,
 credit by examination, or inmate prison programs regardless of teaching
 location.

4 (b) Student credit hours generated in new degree programs after
5 January 1, 1975, that have not been specifically authorized for funding
6 by the legislature, except spin-off programs converted from existing
7 core programs that do all of the following:

8 (i) Represent new options, fields, or concentrations within 9 existing programs.

10 (*ii*) Are consistent with the current institutional role and11 mission.

(*iii*) Are accommodated within the continuing funding base of theinstitution.

14 (*iv*) Do not require a new degree level beyond that which the 15 institution is currently authorized to grant within that discipline or 16 field.

(v) Do not require special grant funding from the state. As used in this subparagraph, "special grant funding" means funding in addition to that provided by the student credit hours generated within the program, either before program initiation or within the first 3 years of program operation.

Sec. 702. The principal executive officer of each institution of higher education receiving an appropriation under this act shall report to the house and senate appropriations committees, the auditor general, the house and senate fiscal agencies, and the department of management and budget within 60 days after the auditor general issues his or her annual report on the operation of the institution. The institution's report shall specify all of the following:

(a) The recommendations of the auditor general implemented by the
 institution, including projected dates and resources required, if any,

1 to achieve compliance.

2 (b) The recommendations of the auditor general not implemented by 3 the institution or implemented by the institution as modified.

4 (c) The rationale for not implementing a recommendation of the 5 auditor general or of implementing a recommendation as modified.

6 Sec. 703. A state university that has not reported project 7 completion and total expenditure of oil overcharge revenues shall 8 submit an annual report by October 1, 1996 to the public service 9 commission in the department of commerce.

Sec. 704. (1) Each state university shall annually submit a report to the governor, department of management and budget, speaker and minority leader of the house, majority and minority leader of the senate, chairpersons of the house and senate appropriations committees, and chairpersons of the house and senate appropriations subcommittees on higher education on efforts to ensure the English language oral proficiency of teaching faculty.

17 (2) The next reporting date for the report under subsection (1) is
18 November 1, 1996.

Sec. 705. (1) Each state university shall report the following information for the 1994-95 academic year to the house and senate fiscal agencies and the department of management and budget:

(a) Separately, the number of ranked faculty, unranked faculty, and
 graduate assistants who taught an undergraduate class section.

(b) The total number of undergraduate credit hours and section
 credits taught by each of the following:

26 (*i*) Ranked faculty.

27 (*ii*) Unranked faculty.

28 (iii) Graduate assistants.

(2) For the purposes of this section, "ranked faculty", "unranked
 faculty", and "graduate assistants" mean those terms as defined in the

1 higher education data inventory (HEIDI).

2 (3) This information shall be provided on or before October 31,
3 1995.

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