

FY 2026-27 DEPARTMENT OF EDUCATION BUDGET

GOVERNOR'S RECOMMENDATION

Article 5

Committee: Appropriations



FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2025-26 YEAR-TO-DATE*	FY 2026-27 GOVERNOR'S RECOMMENDATION	CHANGES FROM FY 2025-26 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	562.5	565.5	3.0	0.5
GROSS	164,746,700	162,193,200	(2,553,500)	(1.5)
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS	164,746,700	162,193,200	(2,553,500)	(1.5)
Less:				
Federal Funds	83,575,100	84,339,300	764,200	0.9
Local and Private.....	8,431,700	8,490,200	58,500	0.7
TOTAL STATE SPENDING	72,739,900	69,363,700	(3,376,200)	(4.6)
Less:				
Other State Restricted Funds.....	10,193,800	10,293,000	99,200	1.0
GENERAL FUND/GENERAL PURPOSE	62,546,100	59,070,700	(3,475,400)	(5.6)
PAYMENTS TO LOCALS	18,547,700	18,547,700	0	0.0

*As of February 11, 2026.

Major Boilerplate Changes from FY 2025-26 Year-to-Date:

- 1. New Boilerplate:** The Governor included new boilerplate allowing the state budget director to extend spending authorization for state fiscal recovery funds beyond the end of FY 2025-26 (**Proposed Sec. 217**), and boilerplate allowing the state budget director to re-appropriate unspent state fiscal recovery funds for an alternative purpose (**Proposed Sec. 218**).
- 2. Deletions:** The Governor recommended deleting boilerplate that prohibits disciplinary action against department employees that communicate with the legislature (**Sec. 206**), requires an annual report on restricted fund balances (**Sec. 212**), allows the legislature to reverse administrative board fund transfers via concurrent resolution (**Sec. 217**), requires state and Federal compliance regarding report retention (**Sec. 218**), requires the department to report policy changes (**Sec. 219**), requires the department develop and publish an annual strategic plan (**Sec. 220**), requires reporting on settlements (**Sec. 221**), requires the department prioritize work project spending (**Sec. 222**), estimates legacy costs (**Sec. 224**), requires archivable report access on the department's website (**Sec. 225**), requires the use of E-Verify for state contracts and subcontracts (**Sec. 228**), requires reporting third party funds received (**Sec. 230**), and reports on districts receiving at-risk funding (**Sec. 701**).
- 3. Amendments:** The Governor amended transparency boilerplate regarding legislatively directed spending, removing grant process requirements and amending the reporting requirements of the language (**Sec. 229**).

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FY 2025-26 Year-to-Date Appropriation	\$164,746,700	\$62,546,100		
	CHANGE FROM FY 2025-26 Y-T-D		FY 2026-27 RECOMMENDED APPROPRIATION	
	Gross	GF/GP	Gross	GF/GP
<u>Baseline Adjustments</u>				
1. Interoffice Funding Transfer 1. The Governor recommended moving \$447,600 of Federal funding and \$996,400 GF/GP from the Office of Nutrition Services to the Office of Health and Safety within School Support Services Section (Sec. 112). The shift has a net zero fiscal impact on the budget.	0	0	3,052,100	1,608,200
2. Interoffice Funding Transfer 2. The Governor recommended moving funding from the Office of Systems, Evaluation, and Technology to the Office of Health and Safety. The funding is for the Transfer School Transportation Consultant (1.0 FTE), and the shift will align the funding with the placement of the FTE within the School Support Services Section (Sec. 112). The shift has a net zero impact on the budget.	0	0	139,500	139,500
3. Economic Adjustments. Includes \$1,407,900 Gross and \$486,000 GF/GP for total economic adjustments.	1,407,900	486,000	NA	NA
<u>New Programs/Program Increases</u>				
4. School Meals Program Staffing. The Governor added GF/GP to the School Support Services Operations line item to ensure that Michigan, instead of the Federal Government, fund the staffing for the State funded program. This will prevent any loss of Federal resources.	380,000	380,000	13,636,300	1,507,500
<u>Eliminations/Reductions - NONE</u>				
<u>One-Time Appropriations</u>				
5. Removal of Current Year One-Time Funding. The Governor removed prior year one-time appropriations, including \$900,000 for the Michigan E-Library, \$300,000 for Media Literacy, \$150,000 for Mental Health Training, and \$150,000 for Foster Care Oversight.	(1,500,000)	(1,500,000)	0	0
<u>Other</u>				
6. School for the Deaf Funding Transfer. The Governor transferred GF/GP for the School for the Deaf to the School Aid budget to replace	(2,841,400)	(2,841,400)	13,893,400	0

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	CHANGE FROM FY 2025-26 Y-T-D		FY 2026-27 RECOMMENDED APPROPRIATION	
	Gross	GF/GP	Gross	GF/GP
GF/GP with School Aid funds for a net zero, total impact. The shift reduces the total appropriations within the Education budget.				
Total Changes.....	(\$2,553,500)	(\$3,475,400)		
FY 2026-27 GOVERNOR'S RECOMMENDATION.....	\$162,193,200	\$59,070,700		

Date Completed: 2-18-26

Fiscal Analyst: Michael Siracuse

Item #	Budget Area/Line Items	FTE	Gov Changes to FY 2025-26		NOTES
			GROSS	GF/GP	
DEPARTMENT OF EDUCATION					
<u>Non-CSB Ongoing Changes</u>					
1	Staffing for school meals program	3.0	380,000	380,000	
	Subtotal - Non-CSB Ongoing	3.0	380,000	380,000	
<u>CSB Ongoing Changes</u>					
1	Economic adjustments	0.0	1,372,300	459,200	
2	Unclassified salaries	0.0	35,600	26,800	
3	Federal & state spending authority transferred between lines	0.0	0	0	Net zero transfer of spending authority
4	FTEs transferred between sections	0.0	0	0	Net zero transfer of FTEs between lines/sections
5	State school for the deaf funding transferred to school aid budget	0.0	(2,841,400)	(2,841,400)	To be covered with school aid fund, not GF.
	Subtotal - CSB Ongoing	0.0	(1,433,500)	(2,355,400)	
<u>One-Time Changes</u>					
1	Remove FY26 one-time and supplemental appropriations	0.0	(1,500,000)	(1,500,000)	
	Subtotal - One-Time	0.0	(1,500,000)	(1,500,000)	
	TOTAL DEPARTMENT OF EDUCATION	3.0	(2,553,500)	(3,475,400)	