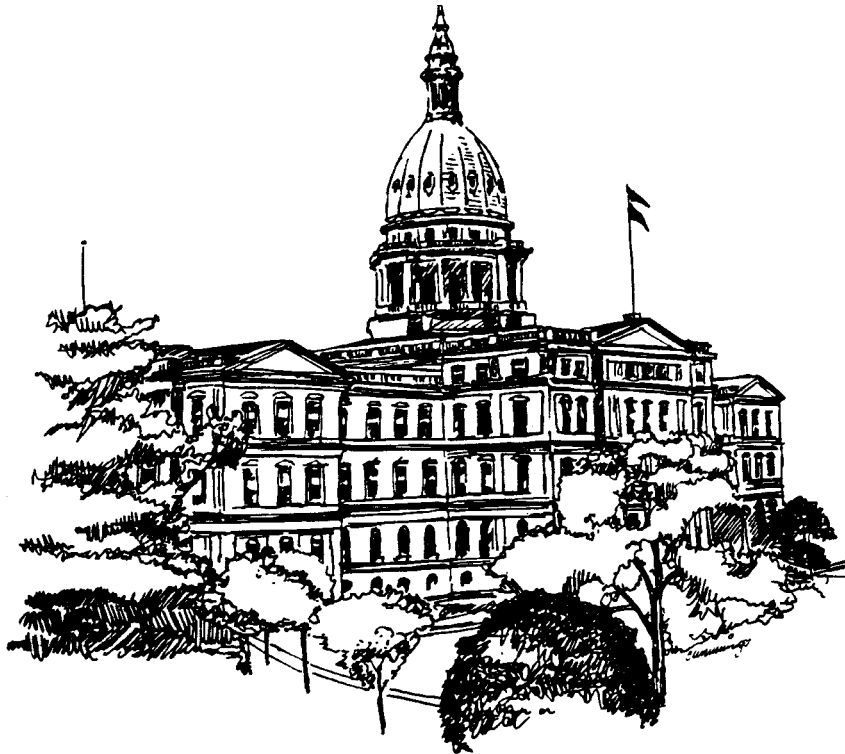




Mitchell E. Bean, Director

**FY 2001-2002 APPROPRIATIONS REPORT  
FAMILY INDEPENDENCE AGENCY  
Public Act 82 OF 2001**



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January 2002

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## INTRODUCTION

The Family Independence Agency (FIA) budget for FY 2001-2002 is contained in P.A. 82 of 2001 (Enrolled Senate Bill 235).

This report describes legislative action regarding the Family Independence Agency budget appropriations act. It begins with a brief overview which highlights the major features of the FY 2001-2002 budget. The overview is followed by a section which summarizes major budget changes from the prior year. Economic issues and vetoes are then addressed. FY 2000-2001 and FY 2001-2002 supplemental appropriations information is included, as well as Executive Order reductions. The report concludes with detailed descriptions of all budget decisions, including legislative action taken on boilerplate items.

Unless otherwise noted, all changes in this report are from the FY 2000-2001 Year-to-Date appropriations as of October 1, 2000 for the Family Independence Agency.

In signing Enrolled Senate Bill 235 into law on July 25, 2001, **the Governor vetoed two boilerplate sections (628 and 629)**, described in some detail on page 13 of this document.

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### SB 235

Introduced  
02/21/2001

Passed Senate  
03/28/2001

Passed House  
05/31/2001

Enrolled  
07/11/2001

Enacted  
07/25/2001

# FAMILY INDEPENDENCE AGENCY

## PUBLIC ACT 82 OF 2001

Analysts: Erin Black and Myron Freeman

**SB 235**

|                       | FY 2000-01<br>YEAR-TO-DATE<br>APPROPRIATIONS<br>(as of 12/31/01) | FY 2001-02<br>YEAR-TO-DATE<br>APPROPRIATIONS<br>(as of 12/31/01) | FY 2001-02 YEAR-TO-DATE<br>CHANGE FROM FY 2000-01 |         |
|-----------------------|--|--|---|---------|
|                       |  |  | AMOUNT  | PERCENT |
| <b>FTE POSITIONS</b>  | 13,505.6   | 13,505.6   | 0.0   | 0.0     |
| <b>GROSS</b>          | \$3,720,564,800  | \$3,805,679,400  | \$85,114,600                                      | 2.3     |
| <b>IDG/IDT</b>        | 765,000  | 965,300  | 200,300   | 26.2    |
| <b>ADJUSTED GROSS</b> | \$3,719,799,800  | \$3,804,714,100  | \$84,914,300                                      | 2.3     |
| <b>FEDERAL</b>        | 2,332,660,150  | 2,499,689,850  | 167,029,700                                       | 7.2     |
| <b>LOCAL</b>          | 110,646,200  | 86,299,000   | (24,347,200)                                      | (22.0)  |
| <b>PRIVATE</b>        | 9,413,950  | 9,710,550  | 296,600   | 3.2     |
| <b>OTHER</b>          | 50,641,200   | 53,233,900   | 2,592,700   | 5.1     |
| <b>GF/GP</b>          | \$1,216,438,300  | \$1,155,780,800  | (60,657,500)                                      | (5.0)   |

## OVERVIEW - FAMILY INDEPENDENCE AGENCY

The Family Independence Agency (FIA) provides financial assistance, family-focused services, and child welfare services to families living in Michigan. Gross year-to-date (YTD) appropriations for FY 2001-02 are \$3.8 billion, which include \$1.2 billion in General Fund/General Purpose (GF/GP) revenues. Gross appropriations are \$85.1 million (2.3%) more than the FY 2000-01 YTD authorized level while GF/GP appropriations are \$60.7 million (5.0%) less than the FY 2000-01 YTD authorized level. Please note that YTD authority includes supplemental and Executive Order adjustments discussed in some detail later within this report.

Much of the increase in Gross appropriations can be attributed to an increase of \$180.0 million in Food Stamp Program authority. In addition, the recognition of \$19.7 million in budgetary savings from various lines throughout the FIA budget, the Executive Order reduction of \$28.7 million, and the reduction of \$22.6 million in local authority due to the shift of funding for many delinquency cases to the Child Care fund line item contributed to the net Gross. The local share of Child Care Fund spending is calculated at the local level and, accordingly, not included in the state FIA budget.

The major source of the decrease in GF/GP appropriations can be attributed to three factors:

- 1) recognition of the GF/GP portion (\$24.6 million) of the budgetary savings noted above;
- 2) realignment of Temporary Assistance for Needy Families (TANF) Maintenance-of-Effort funding which allows the Department to utilize \$30.0 million of TANF funding in place of previous GF/GP revenues; and
- 3) reductions included in the Executive Order of \$24.2 million in GF/GP.

A number of project or program changes required increased funding. Some of the changes are as follows:

- a) \$37.0 million Gross (\$10.1 million GF/GP) increase for the continued development of Michigan's statewide Child Support Enforcement computer system;
- b) \$54.4 million TANF increase to cover a projected 11,700 annual caseload increase within the Family Independence Program (formerly known as Aid to Families with Dependent Children), offset by a \$55.7 million TANF decrease in Day Care Services due to slowing caseload growth and removal of one-time funding;
- c) \$19.1 million Gross (\$5.3 million GF/GP) increase to cover a projected 1,940 caseload increase within the adoption subsidy area;
- d) \$1.3 million Gross (\$756,900 GF/GP) increase in juvenile electronic monitoring and mileage reimbursement allocations and for one-time costs to make new Maxey Training School wings operational; and
- e) \$1.2 million Gross (\$1.1 million GF/GP) increase in the area of emergency home repair and rent support.

ö continued

The Legislature adopted a number of changes and initiatives that were not included in the Executive recommendation. These include:

- a) \$2.7 million Gross, \$1.25 million GF/GP for a 1% full-year rate increase for both foster care parents and parents receiving adoption subsidies;
- b) \$250,000 TANF for emergency shelter bed expansion;
- c) \$1.0 million TANF for the creation of a Fatherhood program;
- d) \$250,000 TANF for the creation of a new program aimed at the promotion and maintenance of marriage;
- e) \$250,000 TANF for the creation of a new program to encourage innovative and effective uses of TANF funding; and
- f) \$1.0 million TANF for Community Action Agency program expansion.

The Governor vetoed two items with a combined value of \$200,000 in Gross federal funding:

- 1) \$100,000 earmarked for the continuation of the "Ready to Succeed Dialogue," noting that FY 2001-02 would have been the fourth consecutive year of funding in this area and that in lieu of continued funding, it was now time to implement the results of prior discussions; and
- 2) \$100,000 earmarked for a new training initiative within multicultural organizations, citing that services of this nature are more appropriate in the Department of Career Development budget.

The FY 2001-02 supplemental (2001 PA 120), added \$197.8 million (federal) in order to fully fund anticipated participation in the federal food stamp program. Program outreach and the slowing economy have increased participation in the federal food stamp program dramatically.

The Executive Order 2001-9 reduces appropriations by \$28.7 million Gross, (\$24.2 million GF/GP) in order to meet required spending level.

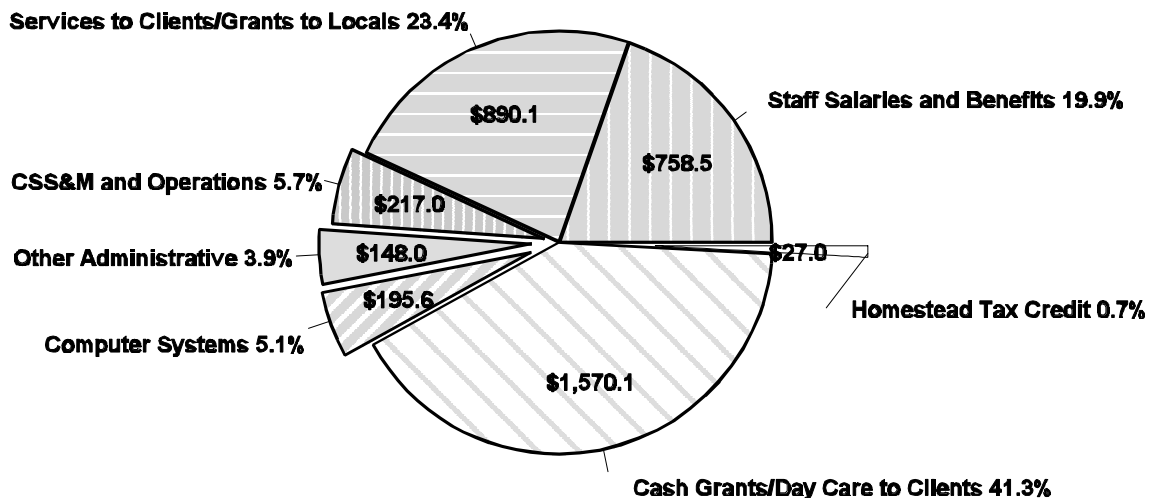
A net savings of \$635,500 (federal) was authorized in the FY 2000-01 supplemental bill (2001 PA 81). The adjustment recognized the addition of \$35.5 million GF/GP to replace lost (sanctioned) Title IV-D funding due to Michigan's failure to meet the federal Child Support Enforcement System (CSES) state-wide certification deadline. The additional GF/GP funding was offset in part by reducing funding in over-appropriated areas such as Child Day Care (\$30.0 million), State Disability Assistance savings (\$2.4 million) and Hiring Freeze savings (\$1.5 million).

The graph below depicts the composition of the \$3.8 billion FY 2001-02 YTD budget. Just over 41% of the funding is allocated for day care services and cash grants including Family Independence Program grants, SSI State Supplementation and State Disability Assistance payments, and Low-Income Energy Assistance Program and Food Stamp Program assistance.

Services delivered to clients directly through FIA and local agencies make up another 23.4%. Services include foster care, adoption subsidies, family preservation and prevention programs, Youth in Transition, Domestic Violence Prevention and Treatment, Teenage Parent Counseling, Transitional Work Support, juvenile justice programs, emergency relief, and employment and training programs.

Staffing-related costs comprise 19.9% of the budget. Contracts, supplies, materials, and operations constitute another 5.7%. Computer projects (including child support systems, the Client Services System, and Department of Management and Budget computer services) account for 5.1% of the budget, and other administration costs (rent, child support incentive payments, homestead property tax credit, and funding for commissions) comprise the remaining 4.6%. In addition, a small budgetary savings unit (\$610,500 GF/GP) was included, with language requiring the Department to satisfy the savings through administrative efficiencies or other means if necessary.

### Distribution: Family Independence Agency FY 2001-2002 Appropriations Year-To-Date Gross Appropriations as of 12/31/01



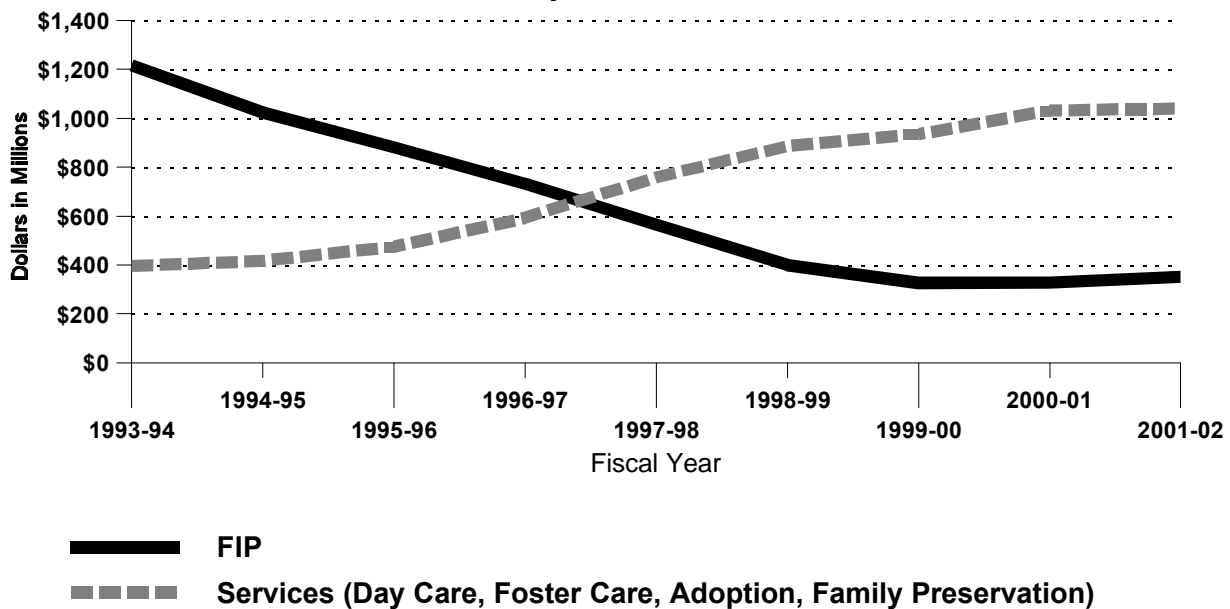
(Millions of Dollars)

**Gross Appropriations = \$3,805,679,400**

The following graph illustrates recent funding trends for the Family Independence Program (FIP) and the four largest services programs administered by the FIA: foster care, child day care, adoption subsidies and support services, and family preservation and prevention services. The trend between FY 1993-94 and 1999-2000 was a sharp decline in FIP spending as the caseload decreased from 223,600 to 72,770 during that period. The caseload has begun to level-off and even increase slightly due to a softening economy which will more than likely result in fewer employment opportunities for FIP clients.

Spending on major services has increased from \$389 million in FY 1993-1994 to an estimated \$1,042 million in FY 2001-2002. Day care expenditures have risen as families have moved off FIP, foster care and adoption subsidy expenditures reflect an increase in caseload spending, and an expansion of programs has led to increased spending in family preservation services. However, as the chart reflects, the day care caseload has begun to level-off and many delinquency cases previously funded in foster care program line items are now funded in the Child Care Fund line item.

### FIP vs Major Services Expenditures



**NOTE:** FYs 1993-94 through 1999-2000 show expenditures;  
FY 2000-01 and FY 2001-02 show YTD appropriations as of 12/31/01.



## MAJOR BUDGET CHANGES: FY 2001-02

| <u>Budget Issue</u>  | <u>Change from FY 2000-01</u>   |
|--|---|
| <p><b>1. Family Independence Program (FIP) Caseload Increase</b><br/>           Family Independence Program funding of \$351.9 million Gross (\$153.9 million GF/GP) is 18.3% higher than the FY 2000-01 level of \$297.5 million Gross (\$153.9 million GF/GP). The increase in the FY 2001-02 appropriated level is due mainly to a higher average projected caseload of 75,000—up 11,600 cases from the FY 2000-01 budgeted level. To a lesser extent, the appropriated amount increased due to a higher projected monthly cost per case of \$391—up \$10 from the FY 2000-01 budgeted level. The increase in caseload is directly related to a softening economy which will more than likely result in fewer employment opportunities for FIP clients. The increase in average monthly cost per case reflects recent expenditure trends. Net increase totals \$54.4 million Gross, all of which is federal TANF funding.</p>   | <p>FTEs 0.0<br/> <b>Gross \$54,386,400</b><br/>           GF/GP \$0</p>       |
| <p><b>2. Day Care Services Adjustments</b><br/>           The FY 2001-02 appropriation represents a savings of \$55.7 million TANF which includes: a) a \$31.8 million TANF reduction applicable to lower budgeted caseload spending—the FY 2001-02 appropriation assumes a budgeted caseload level of 69,700 at an average cost per case of \$528 per month; and b) the removal of \$23.9 million TANF in one-time funding added to the line item in FY 2000-01. Included also is a shift of \$8.5 million in TANF from the Child Care Fund to Day Care Services and an equal amount of GF/GP from Day Care Services to the Child Care Fund.</p>  | <p>FTEs 0.0<br/> <b>Gross (\$55,675,800)</b><br/>           GF/GP \$0</p>     |
| <p><b>3. Increased Funding For Child Support Enforcement System and Reduced Funding for Finger Imaging System</b><br/>           The FY 2001-02 appropriation includes an increase of \$37.0 million Gross (\$10.1 million GF/GP) for final development of the federally-mandated Child Support Enforcement System (CSES). The plan calls for this system to be fully operational and federally certified by September 30, 2002, if not before. Additional funding in this area includes \$31.2 million for development costs and \$5.8 million for increased contractual services required within the Office of Child Support in order to complete the system. Conversely, savings of \$9.0 million Gross (\$4.2 million GF/GP) is captured in the area of the new “finger imaging system” mandated under state statute 1999 PA 26. Savings of \$7.4 million Gross (\$2.6 million GF/GP) reflects a reduction in development costs required for the completion of the “finger imaging system,” and \$1.9 million in GF/GP savings applicable to finger imaging operational costs.</p> | <p>FTEs 0.0<br/> <b>Gross \$27,934,500</b><br/>           GF/GP 7,900,100</p> |
| <p><b>4. State Emergency Relief Funding Adjustments</b><br/>           The FY 2001-02 appropriation represents a net decrease of \$371,000 Gross, (\$41,000 GF/GP). Adjustments include: a) \$1.2 million Gross (\$1.1 million GF/GP) increase in the area of emergency home repair and rent support; b) increase of \$100,000 TANF for existing multicultural programs for the creation of a career-tracked approach to employment of individuals receiving TANF funds; c) addition of \$250,000 in TANF funding for emergency shelter bed expansion. In order to obtain cost savings outlined in the target agreement, a saving of \$1.2 million GF/GP was achieved by reducing the payment amount for Indigent Burial from \$1,460 per burial to \$1,160. Item b) was subsequently <b>vetoed</b> by the Governor.</p>   | <p>FTEs 0.0<br/> <b>Gross (\$371,000)</b><br/>           GF/GP (\$41,000)</p> |

## MAJOR BUDGET CHANGES: FY 2001-02

| <u>Budget Issue</u>   | <u>Change from FY 2000-01</u>  |
|---|--|
| <p><b>5. State Disability Assistance Adjustments</b><br/>                     Funding is reduced by \$2.1 million GF/GP in the area of State Disability Assistance (SDA). Budget reflects a consensus agreement to fund 7,000 cases (the same caseload level as the previous year) at a budgeted monthly amount per case of \$233 level—\$15 less per month when compared to the previous year’s budgeted level. Consensus agreement is in line with current caseload and financial trends in effect during the latter portion of FY 2000-01.</p>   | <p>FTEs 0.0<br/> <b>Gross (\$2,065,300)</b><br/>                     GF/GP (\$2,065,300)</p>   |
| <p><b>6. Adoption Subsidies Increase</b><br/>                     The FY 2001-02 appropriation includes increased funding authority of \$20.8 million Gross (\$5.9 million GF/GP). Adjustments include: a) \$19.1 million Gross (\$5.3 million GF/GP) to recognize a projected caseload increase from 19,260 cases in FY 2000-01 to 21,200 cases in FY 2001-02; and b) \$1.7 million Gross (\$650,000 GF/GP) to provide a 1.0% rate increase for parents receiving adoption subsidies.</p>  | <p>FTEs 0.0<br/> <b>Gross \$20,781,000</b><br/>                     GF/GP \$5,939,600</p>      |
| <p><b>7. Foster Care Adjustments</b><br/>                     Fund authority in this area is reduced by \$42.6 million Gross. Adjustments include: a) a reduction of \$43.6 million Gross (\$21.9 million GF/GP) due to a projected caseload decrease from 15,697 cases in FY 2000-01 to 14,100 cases in FY 2000-02 (Note: Caseload projection assumes many delinquency cases previously funded in foster care lines will be funded in the Child Care Fund); and b) an increase of \$1.0 million Gross (\$600,000 GF/GP) to provide a 1.0% rate increase for foster care families.</p>  | <p>FTEs 0.0<br/> <b>Gross (\$42,561,200)</b><br/>                     GF/GP (\$21,291,200)</p> |
| <p><b>8. Child Care Fund Increase</b><br/>                     The FY 2001-02 appropriation includes a \$33.9 million Gross (\$20.4 million GF/GP) increase in the Child Care Fund to fund additional delinquency cases in this line that were previously funded in the foster care lines. Much of the spending shift is due to the classification of more children as court wards in Wayne County who are in turn being served locally through a new managed care process. Also \$8.5 million in TANF is shifted from the Child Care Fund to Day Care Services and an equal amount of GF/GP from Day Care Services to the Child Care Fund.</p> | <p>FTEs 0.0<br/> <b>Gross \$33,947,500</b><br/>                     GF/GP \$20,447,500</p>     |
| <p><b>9. One-Time Funding for Maxey Training School</b><br/>                     The FY 2001-02 appropriation adds \$1.0 million Gross (\$504,300 GF/GP) in one-time funding for items needed to make new Maxey Training School wings operational, including a mandown system, radios, computers and printers.</p>  | <p>FTEs 0.0<br/> <b>Gross \$1,008,600</b><br/>                     GF/GP \$504,300</p>         |
| <p><b>10. Youth in Transition Increase</b><br/>                     The FY 2001-02 appropriation includes an additional \$2.0 million in Youth in Transition to reflect an increase in available federal IV-E Independent Living funding.</p>   | <p>FTEs 0.0<br/> <b>Gross \$2,000,000</b><br/>                     GF/GP \$0</p>               |
| <p><b>11. Community Action Agencies</b><br/>                     The FY 2001-02 appropriation adds \$1.0 million in TANF funding for Community Action Agency programs.</p>  | <p>FTEs 0.0<br/> <b>Gross \$1,000,000</b><br/>                     GF/GP \$0</p>               |

|   |
|---|
| <b>MAJOR BUDGET CHANGES: FY 2001-02</b> |
|---|

**Budget Issue**

**Change from FY 2000-01**

**12. Reduction in Project Zero Base Funding Level**

A base adjustment in the Project Zero Program area was made in line with anticipated spending levels. This savings of \$5.0 million (TANF) does not include nor does it result in any program or service reduction. The savings are the direct result of a shrinking client pool within the Family Independence Program (FIP) and to a lesser extent the discontinued use of Project Zero funding to support non-custodial parent programs, now primarily supported with welfare-to-work funding within the Department of Career Development. Project Zero is a program designed to identify barriers so that all FIP clients will be able to secure employment and ultimately become self-sufficient.

|              |                      |
|--------------|----------------------|
| FTEs         | 0.0                  |
| <b>Gross</b> | <b>(\$5,000,000)</b> |
| GF/GP        | \$0                  |

**13. TANF / Maintenance-of-Effort Realignment**

In line with published final regulations which stipulate how TANF maintenance-of-effort (MOE) dollars can be designated, the FY 2001-02 appropriation includes the realignment of TANF MOE Funding which resulted in the recognition of \$30.0 million GF/GP within the Department of Education, thus allowing FIA to replace previous state spending with TANF funds, resulting in \$30.0 million GF/GP being utilized elsewhere. In the past, this type activity has been sometimes referred to as supplantation.

|              |                |
|--------------|----------------|
| FTEs         | 0.0            |
| <b>Gross</b> | <b>\$0</b>     |
| GF/GP        | (\$30,000,000) |

**14. Budgetary Savings to Reach Target Numbers**

In order to reach target appropriation numbers, the following budget savings of \$19.7 million Gross (\$24.6 million GF/GP) were taken:

- ' \$11.5 million (Gross), \$4.0 million (GF/GP) in salary and wage related savings due to the hiring freeze
- ' \$1.6 million (GF/GP) removed in finger imaging operations funding authority (detailed in item #3 above)
- ' \$1.9 million (GF/GP) removed for State Incentive Payments
- ' \$3.5 million (Gross), \$1.7 million (GF/GP) removed in rent and wage match funding authority
- ' \$1.2 million (GF/GP) in savings due to reduced indigent burial payment, (detailed in #4d above)
- ' \$0 (Gross), \$14.2 million (GF/GP match funds) saved by increasing child day care TANF spending by \$32.5 million and using \$18.3 million less in federal matching Child Care Development Fund grant funds

|              |                       |
|--------------|-----------------------|
| FTEs         | 0.0                   |
| <b>Gross</b> | <b>(\$19,717,000)</b> |
| GF/GP        | (\$24,550,000)        |

**15. New Initiatives Funded With TANF Dollars**

The enacted budget includes \$1.6 million in TANF funding for the following new initiatives:

- ' \$1.0 million for the creation of a Fatherhood program which would also emphasis the non-custodial parent's responsibility in the area of child support payment
- ' \$250,000 for the creation of a new program aimed at the promotion and maintenance of marriage
- ' \$250,000 for the creation of a new program to encourage socially innovative and effective uses of TANF funding through community grants
- ' \$112,500 to contract with Created for Caring

|              |                    |
|--------------|--------------------|
| FTEs         | 0.0                |
| <b>Gross</b> | <b>\$1,612,500</b> |
| GF/GP        | \$0                |

**ECONOMICS: FY 2001-02**

***Economic Changes***

The enacted budget includes a net economic increase totaling \$22.5 million Gross (\$8.4 million GF/GP) for FY 2001-02. Significant areas of increase include salaries and wages (\$11.6 million Gross), Insurance and Retirement (\$9.8 million Gross), and occupancy charges and rent (\$1.1 million Gross).

|              |                     |
|--------------|---------------------|
| FTEs         | 0.0                 |
| <b>Gross</b> | <b>\$22,447,200</b> |
| GF/GP        | \$8,421,500         |

**MAJOR BOILERPLATE CHANGES: FY 2001-02**

**1. *FTE Report by Pay Status***

Revisions to Section 214 (2) require the Department to submit bimonthly, instead of monthly, reports on FTEs by pay status.

**2. *Non-Traditional Business Hours***

New Section 224 expresses legislative intent for the Department to provide services at local department offices during nontraditional business hours.

**3. *Contractor Negotiations and Payment***

New Section 225 expresses legislative intent regarding Department promptness standards for completion of contractual negotiations, notification of funding availability, and payment for allowable provider expenditures.

**4. *Budgetary Savings***

New Section 226 prohibits spending for Baltimore Street lease (within the city of Detroit) and allows for up to 3% for FIP administration related to budgetary savings.

**5. *Fund Source Realignment Authority***

New Section 227 provides the State Budget Director with authorization to realign sources of financing in order to maximize TANF maintenance-of-effort (MOE) countable expenditures.

**6. *FIP Clothing Allowance***

Revisions to Section 301(2) require a report detailing a proposal to ensure that clothing allowance funds are used to purchase school clothes.

**7. *Child Support Enforcement System Penalty***

Revisions to Section 401 (3)-(5) state that a county shall not be required to pay a penalty if a written agreement is in place, all parties are cooperating with the established work plan, and the prosecuting attorney office cooperates with implementation of the legal module. Subsections (4) and (5) require the Department to provide quarterly reports on progress in reaching CSES certification and anticipated penalties, and allow the Department to retain and use incentive payment revenues withheld from counties pursuant to imposition of penalties.

**8. *Created for Caring***

New Section 407 (similar to that vetoed by the Governor in FY 2001 budget) requires the Department to contract with Created for Caring.

**9. *Community Services Block Grant***

Revisions to Section 414 earmark \$3.0 million, instead of \$2.0 million, in TANF funding for Community Action Agencies.

## MAJOR BOILERPLATE CHANGES: FY 2001-02

### **10. *Fatherhood Initiative***

New Section 415 requires the Department to spend up to \$1.0 million in TANF to fund a fatherhood initiative.

### **11. *Marriage Initiative***

New Section 416 allows the Department to spend up to \$250,000 in TANF to fund a marriage initiative using licensed providers.

### **12. *Innovation Grants***

New Section 417 allows the Department to spend up to \$250,000 in TANF to fund innovation grants and allows the Department to spend up to \$1.0 million in TANF for employment and training support services in support of a youth learning innovations training center designed to enhance technical literacy.

### **13. *Foster Care and Adoption Subsidies Rate Increase***

Revisions to Section 519 include a 1% annual increase to foster care parents and parents receiving adoption subsidies only. In addition, language was removed that required the Department to conduct a review of rates paid for specialized foster care, supervised independent living, and residential treatment.

### **14. *Prevention Services Report***

New Section 524 requires the Department to submit quarterly reports on the status of the prevention services program.

### **15. *Child Welfare Worker Turnover Evaluation***

New Section 529 requires the Department to analyze Michigan child welfare worker staff turnover and compare to national level data.

### **16. *Foster Parent Recruitment and Retention***

New Section 530 requires the Department to implement foster parent recruitment and retention programs that draw from a number of models, including One Church One Child.

### **17. *Food Stamp Standard Utility Allowance***

New Section 603 (4) expresses legislative intent that the Department review and adjust the state food stamp standard utility allowance based on current energy costs.

### **18. *Indigent Burial Payments***

Revisions to Section 611 remove requirement that 75% of additional payments collected in subsection (1) be distributed to funeral directors and 25% to cemeteries or crematoriums, and increase allowable family contribution from \$2,300 to \$2,600 per burial.

### **19. *Indigent Burial Charge Limit***

Revisions to Section 613 reduce the maximum allowable charge limit by \$300 to \$1,160 and eliminate maximum payment levels identified for specific services.

### **20. *Work First Outcomes***

Deleted current-year Section 622 requiring FIA and the Department of Career Development to submit outcomes report for Work First participants.

### **21. *Encourage IDA Private or Nonprofit Matching***

Deleted current-year Section 623 allowing \$100,000 to be used to promote private or nonprofit sector matching funds in Individual Development Accounts permitted under federal welfare reform.

### **22. *Child Day Care Provider Training***

Revisions to Section 626 remove the requirement to spend exactly \$800,000 on the provider training, eliminate the identification of a specific contractor, and remove reporting requirements.

## MAJOR BOILERPLATE CHANGES: FY 2001-02

**23. *EQUIP Grants***

Revisions to Section 627 eliminate the identification of a specific contractor.

**24. *Child Day Care Accessibility Pool***

Deleted current-year Section 633 allowing the Department to establish a child day care accessibility pool for one-time incentive grants, outreach/technical assistance services, or start-up grants.

**25. *Late Child Day Care Payment Report***

Revisions to Section 636 require the report to include the number of child day care payments 30-45 days late and the number over 45 days late.

**26. *Child Day Care Provider Payments***

Revisions to Section 640 allow for \$8.0 million to be used for child day care provider infant and toddler incentive payments, instead of \$16.7 million to provide a specified provider rate increase, and require the increase be given only to providers who meet licensing or training requirements consistent with current policy.

**27. *Homeless Shelter Increase***

Revisions to Section 643 include increase of \$250,000 for emergency shelter bed expansion.

**28. *Leaving Newborns Public Service Information***

Revisions to Section 654 require the Department to expend up to \$100,000, instead of exactly \$100,000, on public service information regarding procedures for individuals to leave newborns at emergency service providers.

**29. *Before- or After-School Program***

Revisions to Section 657 authorize \$10.0 million for the program (instead of \$16.0 million) and add "abstinence-based" to the pregnancy prevention component.

**30. *Barriers to Achieving Self-Sufficiency Report***

New Section 662 requires the Department to report on current or new initiatives aimed at removing barriers to achieving self-sufficiency.

**31. *Day Care Inspection Positions***

New Section 664 expresses legislative intent that the Department work with the Department of Consumer and Industry Services to obtain federal funds for day care inspection positions.

**32. *Public Transit***

New Section 665 requires the Department to continue to partner with the Department of Transportation to use TANF and other sources to support public transportation needs of TANF-eligible individuals.

**33. *Federal Earned Income Tax Credit Participation***

New Section 666 requires the Department to develop and implement a plan to increase FIP recipient participation in the federal Earned Income Tax Credit.

**34. *School Aid Funding for Juvenile Justice Education***

New Section 708 expresses legislative intent that the Department work with the Department of Education to explore a procedure to secure funding through School Aid to educate juveniles in state-operated detention or treatment facilities.

**35. *Child Care Fund Spending Plan***

New Section 709 requires counties to have approved service spending plans for FY 2001-02 by February 15, 2002, as a condition of receiving child care funds.

**MAJOR BOILERPLATE CHANGES: FY 2001-02**

**36. County Juvenile Justice Day Treatment**

New Section 710 requires the Department to continue contracts for county juvenile justice day treatment programs.

**37. Auditor General Report Response**

New Section 712 requires the Department to provide a report within 30 days after receiving an Auditor General report indicating Department noncompliance with state or federal law, rule or regulation.

**VETOES: FY 2001-02**

**1. Ready to Succeed Dialogue**

The Governor vetoed boilerplate Section 628 and applicable funding for the Ready to Succeed Dialogue (FY 1998-99).

|              |                    |
|--------------|--------------------|
| FTEs         | 0.0                |
| <b>Gross</b> | <b>(\$100,000)</b> |
| GF/GP        | \$0                |

**2. Multicultural Organization Career Training**

The Governor vetoed boilerplate Section 629 and applicable funding to multicultural organizations for creation of career training programs. See item #4b in Major Budget Changes.

|              |                    |
|--------------|--------------------|
| FTEs         | 0.0                |
| <b>Gross</b> | <b>(\$100,000)</b> |
| GF/GP        | \$0                |

**REVENUE INCREASES: FY 2001-02**

None

**SUPPLEMENTAL APPROPRIATIONS**

**FY 2000-01**

**Senate Bill 283 (2001 PA 81)**

**1. Child Support Enforcement System Penalty**

The supplemental appropriation (2001 PA 81) includes \$35.53 million GF/GP in recognition of reduced Title IV-D funding due to sanctions imposed on the state for the anticipated failure to meet the federal Child Support Enforcement System (CSES) statewide certification deadline of September 30, 2001. Total penalty (applicable to FY 2000-01) is \$38.7 million, of which \$3.1 million was already recognized within FY 2000-01 base funding. Current plans call for the CSES to be certified and operational by September 30, 2002.

|              |              |
|--------------|--------------|
| FTEs         | 0.0          |
| <b>Gross</b> | <b>\$0</b>   |
| GF/GP        | \$35,525,800 |

**2. Hiring Freeze Savings**

The supplemental appropriation includes and identifies several line items where hiring freeze savings will be recognized, resulting in savings of \$1.5 million GF/GP within various salary and wage line items. The affected lines include Executive Operations Salaries and Wages, Family Independence Services Administration Salaries and Wages, Field Staff Salaries and Wages, and Children and Adult Services Salaries and Wages. Applicable payroll taxes and fringe benefits are also affected by this proposal.

|              |                      |
|--------------|----------------------|
| FTEs         | 0.0                  |
| <b>Gross</b> | <b>(\$1,540,500)</b> |
| GF/GP        | (\$1,540,500)        |

## SUPPLEMENTAL APPROPRIATIONS

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|--|--|--|
| <p><b>3. CSS&amp;M Savings</b><br/>The supplemental appropriation includes budgetary savings in the Executive Operations Contractual Services, Supplies, and Materials line item. The savings represents funding not projected to be spent due to lower-than-anticipated expenditures.</p>   | <p>FTEs 0.0<br/><b>Gross (\$138,200)</b><br/>GF/GP (\$138,200)</p>       |  |
| <p><b>4. Data System Enhancement Savings</b><br/>The supplemental appropriation includes budgetary savings in the Data System Enhancement line item. The savings represents funding not projected to be spent due to slightly lower-than-anticipated computer project costs.</p>   | <p>FTEs 0.0<br/><b>Gross (\$321,100)</b><br/>GF/GP (\$321,100)</p>       |  |
| <p><b>5. Food Stamp Issuance Savings</b><br/>The supplemental appropriation includes budgetary savings in the Food Stamp Issuance line item. The savings represents funding not projected to be spent due to decreasing administrative costs resulting from implementation of the Electronic Benefits Transfer (EBT) system.</p>   | <p>FTEs 0.0<br/><b>Gross (\$500,000)</b><br/>GF/GP (\$500,000)</p>       |  |
| <p><b>6. Wage Employment Verification Reporting Savings.</b><br/>The supplemental appropriation includes budgetary savings in the Wage Employment Verification Reporting line item. The savings represents funding not projected to be spent due to lower-than-anticipated expenditures in the Wage Match Project.</p>   | <p>FTEs 0.0<br/><b>Gross (\$732,000)</b><br/>GF/GP (\$732,000)</p>       |  |
| <p><b>7. Occupancy Charge Savings</b><br/>The supplemental appropriation includes budgetary savings in the Occupancy Charge line item. The savings represents funding not projected to be spent due to lower-than-budgeted charges resulting from the state's purchase of the Grand Tower.</p>   | <p>FTEs 0.0<br/><b>Gross (\$480,000)</b><br/>GF/GP (\$480,000)</p>       |  |
| <p><b>8. State Disability Assistance Savings</b><br/>The supplemental appropriation identifies savings in the State Disability Assistance Payments line item. The savings represents funding not projected to be spent due to lower-than-budgeted caseload costs.</p>  | <p>FTEs 0.0<br/><b>Gross (\$2,373,200)</b><br/>GF/GP (\$2,373,200)</p>   |  |
| <p><b>9. Child Day Care/Title XX State Expenditure Adjustment</b><br/>The supplemental appropriation removes \$30.0 million in GF/GP previously used to fund Social Services Block grant (Title XX) claimable expenditures and replaces the GF/GP with TANF. The \$30.0 million in TANF is transferred from Day Care Services, due to lower-than-budgeted caseload spending, to Family Preservation and Prevention Services (\$20.0 million), and Children and Adult Services Salaries and Wages (\$10.0 million).</p> | <p>FTEs 0.0<br/><b>Gross (\$30,000,000)</b><br/>GF/GP (\$30,000,000)</p> |  |

**FY 2001-02**

**Senate Bill 291 (2001 PA 120)**

|  |                                       |  |
|--|---------------------------------------|--|
| <p><b>1. Indigent Burial Adjustment</b><br/>SB 291 (2001 PA 120) includes \$610,500 GF/GP to decrease the reduction in the FY 2002 budget for indigent burial services. The funding will bring the level to \$1,310 per burial. A Budgetary Savings unit was created requiring the Family Independence Agency (FIA) to find funds from within the Department so that the adjustment has no net impact.</p> | <p><b>Gross \$0</b><br/>GF/GP \$0</p> |  |
|--|---------------------------------------|--|



## SUPPLEMENTAL APPROPRIATIONS

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|--|--------------|----------------------|
| <p><b>2. Food Stamp Program Benefits Authorization</b><br/>                 SB 291 includes an additional \$197.8 million in federal food stamp authorization. The increase in authorization is needed due to the fact that program outreach has increased participation dramatically. In addition, the slowing economy has contributed to higher caseloads.</p> | <b>Gross</b> | <b>\$197,800,000</b> |
|  | GF/GP        | \$0                  |
- 3. Sec. 231. Foster Care Rate Adjustment**  
 SB 291 includes an enacting section repealing language in Section 519 of 2001 PA 82. The language is then duplicated in Sec. 231 with a modification to reflect the original intent of the language by adjusting the effective date of the rate increase from October 1, 2002, to October 1, 2001.
- 4. Sec. 232. Budgetary Savings Unit**  
 SB 291 includes language in Sec. 232 that requires FIA to satisfy the Budgetary Savings through administrative efficiencies and other means if necessary. Also requires that authorizations be adjusted using the transfer process.
- 5. Sec. 233. Indigent Burial Payment**  
 SB 291 includes an enacting section repealing language in Section 613 of 2001 PA 82. The language is then duplicated in Sec. 233 with the following modifications: the maximum allowable charge limit is increased to \$1,310 from \$1,160; the distribution for funeral directors, cemeteries/crematoriums, and vault services is identified; and providers are required to submit quarterly service reports to the FIA which will, in turn, provide information to the Legislature.
- 6. Sec. 234. Indigent Burial Additional Collection**  
 SB 291 includes an enacting section repealing language in Section 611 of 2001 PA 82. The language is then duplicated in Sec. 234 with a modification limiting the additional payment providers can collect to \$2,450 per burial instead of \$2,600.

## EXECUTIVE ORDER 2001-9

- |   |              |                      |
|---|--------------|----------------------|
| <p><b>1. Non-Energy Related Home Repairs</b><br/>                 Reduces funding to the State Emergency Relief line item for non-energy related home repairs.</p>  | <b>Gross</b> | <b>(\$255,000)</b>   |
|   | GF/GP        | (\$255,000)          |
| <p><b>2. Multi-Cultural Contracts</b><br/>                 Reduces funding to the State Emergency Relief line item for multi-cultural contracts (Arab Chaldean Council \$735,000 and ACCESS \$485,000).</p> | <b>Gross</b> | <b>(\$1,220,000)</b> |
|   | GF/GP        | (\$1,220,000)        |
| <p><b>3. Indigent Burial</b><br/>                 Reduces funding to the State Emergency Relief line item for indigent burial reimbursement.</p>  | <b>Gross</b> | <b>(\$1,110,500)</b> |
|   | GF/GP        | (\$1,110,500)        |
| <p><b>4. Data Systems and Training</b><br/>                 Reduces funding to the following line items: Data System Enhancements (\$500,000), and Training and Staff Development (\$250,000).</p>          | <b>Gross</b> | <b>(\$750,000)</b>   |
|   | GF/GP        | (\$750,000)          |
| <p><b>5. Child Assessment Centers</b><br/>                 Reduces funding to the Family Preservation and Prevention Services line item for Child Assessment (Advocacy) Centers statewide.</p>              | <b>Gross</b> | <b>(\$236,600)</b>   |
|   | GF/GP        | (\$236,600)          |

|                               |
|-------------------------------|
| <b>EXECUTIVE ORDER 2001-9</b> |
|-------------------------------|

|  |   |
|--|---|
| <p><b>6. Facility Savings</b><br/>Reduces funding for the following: rent (\$500,000); equipment (\$951,200); contractual services, supplies, and materials (\$750,000); and travel (\$250,000).</p>   | <p><b>Gross (\$2,451,200)</b><br/>GF/GP (\$2,000,000)</p> |
| <p><b>7. Juvenile Justice Facilities</b><br/>Reflects closure of the Genesee Valley Regional Center and reduction in bed capacity at the Maxey Training School due to facility underutilization in recent months.</p>  | <p><b>Gross (\$8,505,900)</b><br/>GF/GP (\$4,511,700)</p> |
| <p><b>8. Community Action Agencies</b><br/>Reduces funding to the State Emergency Relief line item for energy-related services provided by Community Action Agencies.</p>  | <p><b>Gross (\$1,500,000)</b><br/>GF/GP (\$1,500,000)</p> |
| <p><b>9. Child Support Incentives</b><br/>Reduces the distribution of state incentive payments to local Friends of the Court by \$2.5 million and uses an additional \$6.1 million in federal child support incentive payments to offset state child support-related expenditures.</p>                                   | <p><b>Gross (\$8,560,700)</b><br/>GF/GP (\$8,500,000)</p> |
| <p><b>10. Hiring Freeze Savings</b><br/>Removes funding to reflect anticipated hiring freeze savings. Savings will be taken in a number of areas.</p>  | <p><b>Gross (\$3,738,300)</b><br/>GF/GP (\$3,738,300)</p> |
| <p><b>11. Juvenile Justice Day Treatment</b><br/>Reduces funding to the Juvenile Justice Operations line item for juvenile justice day treatment programs.</p>   | <p><b>Gross (\$375,000)</b><br/>GF/GP (\$375,000)</p>     |
| <p><b>12. Sec. 401. Child Support Incentives</b><br/>Amends Sec. 401 of 2001 PA 82 to allow the Department to retain \$10.4 million—an additional 6.0 million—in federal child support incentive payments and to utilize such funds for legal support contracts and child support program expenses.</p>                  |   |
| <p><b>13. Sec. 621. Multi-cultural Assimilation</b><br/>Repeals Sec. 621 of 2001 PA 82, a section issuing guidance on multi-cultural assimilation and support services contracts.</p>  |   |
| <p><b>14. Sec. 644. Non-energy Home Repair Limit</b><br/>Repeals Sec. 644 of 2001 PA 82, a section setting the lifetime limit for non-energy-related home repairs.</p>   |   |
| <p><b>15. Sec. 710. Day Treatment Contracts</b><br/>Amends Sec. 710 of 2001 PA 82 to allow, instead of require, the department to continue contracts for county juvenile justice day treatment programs.</p>   |   |
| <p><b>16. Sec. 233. Indigent Burial Payment</b><br/>Amends Sec. 233 of 2001 PA 120 (SB 291) to allow the maximum charge limit for indigent burials to be \$1,114, with the funds distributed as follows: \$710 for funeral directors, \$234 for cemeteries or crematoriums, and \$170 for the provider of the vault.</p> |   |

| PART 1 LINE-ITEMS   | Changes from FY 2000-2001 Y-T-D |          |             |
|---|---------------------------------|----------|-------------|
|   | FTE                             | GF/GP    | Gross       |
| <b>EXECUTIVE OPERATIONS</b>   |                                 |          |             |
| <p><b>1. Unclassified Salaries</b><br/> The <b>Executive</b> proposed recognition of a 2% salary economic increase in this area. The <b>Executive Budget Revision</b> removed economics included in the original proposal. The <b>Legislature</b> concurred with the original proposal.</p>   | 0.0                             | \$6,100  | \$9,800     |
| <p><b>2. Salaries and Wages</b><br/> The <b>Executive</b> proposed the following: <b>a)</b> additional base funding to cover existing FTE level within this line, \$1.9 million (all federal funding) and <b>b)</b> an economic base increase of 2%, \$724,700 Gross, (\$341,800 GF/GP). The <b>Executive Budget Revision</b> removed economics included in the original proposal.</p> <p>The <b>Legislature</b> included both the additional base funding and the original economic increase, but also recognized a "Hiring Freeze" savings of \$620,700 Gross (\$254,400 GF/GP) in order to reach <i>Target Number</i>.</p> <p><b>Note:</b> Funding for Salaries and Wages subsequently reduced by \$297,200 Gross GF/GP in Executive Order 2001- 9 (not reflected in change column amounts).</p> | 0.0                             | \$87,400 | \$1,964,000 |
| <p><b>3. Contractual Services, Supplies, and Materials</b><br/> The <b>Executive</b> did not make a proposal in this area.</p> <p>The <b>Senate</b> initially recognized budgetary savings of \$1.2 million (Gross) in this line while the <b>House</b> initially recognized budgetary savings of \$302,800 (Gross) within this line. In conference however, the <b>Legislature</b> agreed to make no changes from the previous fiscal year.</p>  | 0.0                             | \$0      | \$0         |

| PART 1 LINE-ITEMS   | Changes from FY 2000-2001 Y-T-D |         |               |
|---|---------------------------------|---------|---------------|
|   | FTE                             | GF/GP   | Gross         |
| <p><b>4. Demonstration Projects</b></p> <p>The <b>Executive</b> proposed the following changes in this area:</p> <p><b>a)</b> Transferring-out federal funding applicable to a successful demonstration project in the area of domestic violence to the Domestic Violence and Treatment line within the Child and Family Services appropriations unit, \$3.4 million (all federal funding).</p> <p><b>b)</b> Transfer-in of administrative responsibilities for HUD support Housing Program from the State Emergency Relief line. Two FTE's will continue to be directly involved with the program and FIA will continue to receive reimbursement for the costs of wages from CareGivers (a non-profit organization specializing in low-income housing issues), \$133,000 (all federal funding).</p> <p><b>c)</b> Economics - 2% for salaries plus economic increases in the area of insurance &amp; retirement, \$22,500 Gross, (\$3,500 GF/GP).</p> <p><b>d)</b> The <b>Executive Budget Revision</b> removed economics included in the original proposal.</p> <p>The <b>Legislature</b> concurred with items <b>a) - c)</b> noted above.</p> | 2.0                             | \$3,500 | (\$3,244,500) |
| <p><b>5. End User Support</b><br/>No Change.</p>  | 0.0                             | \$0     | \$0           |
| <p><b>6. Computer Service Fees - To DMB</b><br/>No Change.</p>  | 0.0                             | \$0     | \$0           |

| PART 1 LINE-ITEMS   | Changes from FY 2000-2001 Y-T-D |             |              |
|---|---------------------------------|-------------|--------------|
|   | FTE                             | GF/GP       | Gross        |
| <p><b>7. Client Services System</b><br/>(Replaces ASSIST Line)</p> <p>The <b>Executive</b> proposed the following changes in this area:</p> <p><b>a)</b> Transferring-in from the Data Systems Enhancement line the balance of the FY 2000-01 appropriation for the finger print imaging system. Funding will be used in this line to cover on-going operational costs of the finger print imaging system, \$1.3 Million Gross.</p> <p><b>b)</b> Transferring-in from the Data Systems Enhancement line operational costs associated with the Electronic Benefit System. The Electronic Benefit System allows clients to utilize a debit card while purchasing food under the federal food stamp program, \$6.8 million Gross.</p> <p><b>c)</b> Transferring-in from the Food Stamp Issuance line (within the Family Services Administration appropriations unit) additional operational costs associated with the Electronic Benefit System, \$4.1 million Gross.</p> <p><b>d)</b> Economics - 2% for salaries plus economic increases in the area of insurance &amp; retirement, \$53,000 Gross.</p> <p>The <b>Legislature</b> concurred with all proposals noted above. In conference however, in order to reach Target Agreement, the Legislature recognized savings of \$1.6 million GF/GP applicable to reduced operational costs associate with the finger imaging system which is not projected to be operational during the majority of the fiscal year.</p> | 3.0                             | \$3,935,200 | \$10,658,000 |

| PART 1 LINE-ITEMS  | Changes from FY 2000-2001 Y-T-D |               |                |
|--|---------------------------------|---------------|----------------|
|  | FTE                             | GF/GP         | Gross          |
| <p><b>8. Data Systems Enhancement</b><br/>The <b>Executive</b> proposed the following:</p> <p><b>a)</b> Reduction of base funding due the completion of the finger print imaging system. This proposal recognizes the elimination of system development costs, \$7.5 million Gross.</p> <p><b>b)</b> Transferring-out to the Client Services Systems line the balance of the FY 2000-01 appropriation for the finger print imaging system. Funding will be used in the Client Services Systems line to cover on-going operational costs of the finger print imaging system, \$1.3 million Gross.</p> <p><b>c)</b> Transferring-out to the Client Services Systems line operational costs associated with the Electronic Benefit System, \$6.8 million Gross.</p> <p><b>d)</b> Economics - 2% for salaries plus economic increases in the area of insurance &amp; retirement, \$50,200 Gross, (\$24,300 GF/GP).</p> <p><b>e)</b> The <b>Executive Budget Revision</b> removed economics included in the original proposal.</p> <p>The <b>Legislature</b> concurred with items <b>a) - d)</b> noted above. Please note the budget bill as it passed each respective houses contained legislatively imposed GF/GP budgetary savings in this area ranging from \$1.3 million to \$2.0 million. It was agreed however, that saving to reach target agreement would be achieved in another manner.</p> <p><b>Note:</b> Funding for Enhancement Projects subsequently reduced by \$500,000 Gross GF/GP in Executive Order 2001- 9 (not reflected in change column amounts).</p> | (3.0)                           | (\$6,032,200) | (\$15,449,800) |

| PART 1 LINE-ITEMS   | Changes from FY 2000-2001 Y-T-D |              |              |
|---|---------------------------------|--------------|--------------|
|   | FTE                             | GF/GP        | Gross        |
| <p><b>9. Child Support Automation</b><br/> The <b>Executive</b> proposed the following changes in this area:</p> <p><b>a)</b> Additional funding for the continued development and completion of the federally mandated "Child Support Enforcement System". Development of this system began in earnest during FY 94 and is projected to be certified as operational by the federal Department of Health and Human Services no later than September 30, 2002. A significant portion of the increase is directly associated with projected transition costs to be incurred within Wayne and Oakland Counties, \$31.2 million (all federal funding).</p> <p><b>b)</b> A funding adjustment in this area. Additional funding of \$10.1 million (GF/GP) is recommended to be utilized in place of federal Title IV-D funding authorization. Additional state funding is required in order to pull-down federal matching funds.</p> <p><b>c)</b> An increase in the area of contractual costs as they pertain to the Office of Child Support. Additional contractual dollars are required in order to complete "Child Support Enforcement System" by September 30, 2002, \$5.8 million Gross, (\$2.0 million GF/GP).</p> <p><b>d)</b> Economics - 2% for salaries plus economic increases in the area of insurance &amp; retirement, \$61,100 Gross, (\$20,800 GF/GP).</p> <p><b>e)</b> The <b>Executive Budget Revision</b> removed economics included in the original proposal.</p> <p>The <b>Legislature</b> concurred with items <b>a) - d)</b> above.</p> <p><b>Note:</b> Funding for CSES subsequently reduced by \$6.1 million Gross GF/GP in Executive Order 2001- 9 (not reflected in change column amounts).</p> | 0.0                             | \$12,104,400 | \$37,021,600 |
| <p><b>10. Child Support Distribution Computer System</b><br/> The <b>Executive</b> proposed recognition of a 2% salary economic increase plus economic increases in the areas of insurance &amp; retirement. The <b>Executive Budget Revision</b> removed economics included in the original proposal. The <b>Legislature</b> included the economic increase.</p>   | 0.0                             | \$5,900      | \$17,500     |

| PART 1 LINE-ITEMS   | Changes from FY 2000-2001 Y-T-D |            |           |
|---|---------------------------------|------------|-----------|
|   | FTE                             | GF/GP      | Gross     |
| <p><b>11. Supplemental Security Income Advocates, Salaries and Wages</b></p> <p>The <b>Executive</b> proposed recognition of a 2% salary economic increase plus economic increases in the areas of insurance &amp; retirement. The <b>Executive Budget Revision</b> removed economics included in the original proposal. The <b>Legislature</b> included the economic increase.</p>   | 0.0                             | \$18,400   | \$25,500  |
| <p><b>12. Commission on Disability Concerns</b></p> <p>The <b>Executive</b> proposed the following changes in this area:</p> <p><b>a)</b> An intra-unit adjustment in order to properly reflect where funds are projected to be spent and to improve administrative efficiency. Accordingly, \$250,000 in federal vocational rehabilitation funding is transferred-in from the Commission for The Blind line (see item # 13 below) in exchange for the transfer-out of \$100,000 (GF/GP) out of this line into the Commission for the Blind line . The reasoning behind this recommendation is that federal funding can be drawn-down directly into this line but can not be drawn-down directly into the Commission for the Blind line . Thus this recommendation would improve administrative efficiency allowing useable federal funds to be directly received into this line, \$150,000 Gross, (negative \$100,000 GF/GP).</p> <p><b>b)</b> Economics - 2% for salaries plus economic increases in the area of insurance &amp; retirement, \$16,400 Gross, (\$9,800 GF/GP).</p> <p><b>c)</b> The <b>Executive Budget Revision</b> removed economics included in the original proposal.</p> <p>The <b>Legislature</b> concurred with items <b>a) - b)</b> above.</p> | 0.0                             | (\$90,200) | \$166,400 |



| PART 1 LINE-ITEMS  | Changes from FY 2000-2001 Y-T-D |           |           |
|--|---------------------------------|-----------|-----------|
|  | FTE                             | GF/GP     | Gross     |
| <p><b>13. Commission for the Blind</b></p> <p>The <b>Executive</b> proposed the following changes in this area:</p> <p><b>a)</b> An intra-unit adjustment in order to properly reflect where funds are projected to be spent and to improve administrative efficiency. Accordingly, \$250,000 in federal vocational rehabilitation funding is transferred-out of this line into the Commission for Disability Concerns line (see item #12 above) in exchange for the transfer-in of \$100,000 (GF/GP) into this line. This federal money could not be drawn-down directly into this line but can be drawn-down directly into the Commission for Disability Concerns line, negative \$150,000 Gross, (positive \$100,000 GF/GP). .</p> <p><b>b)</b> Economics - 2% for salaries plus economic increases in the area of insurance &amp; retirement, \$187,100 Gross, (\$41,800 GF/GP).</p> <p><b>c)</b> Economics - occupancy adjustment, \$329,500 Gross, (\$73,500 GF/GP).</p> <p><b>d)</b> The <b>Executive Budget Revision</b> removed a portion of the economics included in the original proposal.</p> <p>The <b>Legislature</b> concurred with items <b>a) - c)</b> noted above. The House also recommended adding \$50,000 to the Commission's budget to help maintain current programs. The House's proposal was agreed to in conference committee.</p> | 0.0                             | \$265,300 | \$416,600 |
| <b>FAMILY INDEPENDENCE SERVICES ADMINISTRATION</b>   |                                 |           |           |
| <p><b>1. Salaries and Wages</b></p> <p>The <b>Executive</b> proposed recognition of a 2% salary economic increase in this area. The <b>Executive Budget Revision</b> removed economics included in the original proposal.</p> <p>The <b>Legislature</b> included the original economic increase above, but also recognized a "Hiring Freeze" savings of \$256,800 Gross (\$85,100 GF/GP) in order to reach <i>Target Number</i>.</p> <p><b>Note:</b> Funding subsequently reduced to recognize additional "Hiring Freeze" savings of \$96,400 Gross GF/GP in Executive Order 2001- 9 (not reflected in change column amounts).</p>   | 0.0                             | \$17,500  | \$36,500  |

| PART 1 LINE-ITEMS  | Changes from FY 2000-2001 Y-T-D |               |               |
|--|---------------------------------|---------------|---------------|
|  | FTE                             | GF/GP         | Gross         |
| <p><b>2. Contractual Services, Supplies, and Materials</b><br/>The <b>Executive</b> did not make a proposal in this area.</p> <p>The <b>Senate</b> initially recognized budgetary savings of \$683,500 (Gross) in this line while the <b>House</b> did not recognize any budgetary savings within this line. In conference however, the <b>Legislature</b> agreed to make no changes from the previous fiscal year.</p>  | 0.0                             | \$0           | \$0           |
| <p><b>3. Child Support Incentive Payments</b><br/>No Change.</p>   | 0.0                             | \$0           | \$0           |
| <p><b>4. Legal Support Contracts</b><br/>The <b>Executive</b> proposed the recognition of increased federal authorization in order to capture additional federal Title IV-D matching dollars.</p> <p><b>Legislature</b> concurred with this proposal.</p>  | 0.0                             | \$0           | \$8,400,000   |
| <p><b>5. State Incentive Payments</b><br/>The <b>Executive</b> did not make a proposal in this area.</p> <p>The <b>Legislature</b> decided to recognized savings of \$1,938,800 Gross (\$1,900,000 GF/GP) in this area in order to reach <i>Target Number</i>.</p> <p><b>Note:</b> Funding for State Incentive Payments subsequently reduced by \$2.5 million Gross (\$2.4 million GF/GP) in Executive Order 2001- 9 (not reflected in change column amounts).</p> | 0.0                             | (\$1,900,000) | (\$1,938,800) |

| PART 1 LINE-ITEMS  | Changes from FY 2000-2001 Y-T-D |       |               |
|--|---------------------------------|-------|---------------|
|  | FTE                             | GF/GP | Gross         |
| <p><b>6. Employment and Training Support Services</b><br/> The <b>Executive</b> proposed a base adjustment in this area (applicable to the Project Zero Program), in line with anticipated spending levels. This savings of \$3.0 million (TANF) does not include, nor does it result in, any program or service reduction. The savings are the direct result of a shrinking client pool within the Family Independence Program (FIP).</p> <p>The <b>Legislature</b> concurred with the Executive's proposal above. In addition, the <b>House</b> recommended the following action:</p> <p><b>a)</b> Adding \$1.0 million (TANF) for the creation of a Fatherhood program which would also emphasize the non-custodial parent's responsibility in the area of child support payments.</p> <p><b>b)</b> Adding \$1.0 million (TANF) to initiate a program aimed at the promotion and maintenance of marriage.</p> <p><b>c)</b> Adding \$500,000 (TANF) for Innovation Grants. The purpose of the program is to encourage innovative ways to utilize TANF through community grants within the State.</p> <p>In conference, the <b>Senate</b> concurred with all of the programs recommended by the <b>House</b> noted in items <b>a) - c)</b> above, but the amounts agreed to in item <b>b)</b> and item <b>c)</b> were both reduced to \$250,000 for each program.</p> | 0.0                             | \$0   | (\$1,500,000) |

| PART 1 LINE-ITEMS   | Changes from FY 2000-2001 Y-T-D |               |               |
|---|---------------------------------|---------------|---------------|
|   | FTE                             | GF/GP         | Gross         |
| <p><b>7. Project Zero</b><br/>The <b>Executive</b> proposed the following changes in this area:</p> <p><b>a)</b> Base adjustment in this area in line with anticipated spending levels. This savings of \$2.0 million (TANF) does not include, nor does it result in, any program or service reduction. The savings are the direct result of a shrinking client pool within the Family Independence Program (FIP) and, to a lesser extent, the discontinued use of project zero funding to support non-custodial parent programs, now primarily supported with welfare-to-work funding within the Department of Career Development.</p> <p><b>b)</b> Economics - 2% for salaries plus economic increases in the area of insurance &amp; retirement, \$112,000 (all Federal).</p> <p>The <b>Legislature</b> concurred with both proposals noted above.</p> | 0.0                             | \$0           | (\$1,888,000) |
| <p><b>8. Food Stamp Issuance</b><br/>The <b>Executive</b> proposed the transfer-out of all the funding within this line item to the Client Services System line (within the Executive Operation Appropriations unit) for the purpose of providing operational dollars to support the Electronic Benefit Transfer System (EBT).</p> <p><b>Legislature</b> concurred with this proposal.</p>  | 0.0                             | (\$2,062,200) | (\$4,124,400) |
| <p><b>9. Wage Employment Verification Reporting</b><br/>The <b>Executive</b> proposed a negative base adjustment of \$2.0 million Gross, (\$1.0 million GF/GP) to reflect the completion of the computerized Wage Record System, housed within the Michigan Unemployment Agency.</p> <p>The <b>Legislature</b> concurred the proposal noted above. The Legislature also decided to recognized savings of \$1.0 million Gross, (\$500,000 GF/GP) in this area in order to reach <i>Target Number</i>.</p>  | 0.0                             | (\$1,536,600) | (\$3,000,800) |
| <p><b>10. Urban and Rural Empowerment Zones</b><br/>No Change.</p>  | 0.0                             | \$0           | \$0           |

| PART 1 LINE-ITEMS   | Changes from FY 2000-2001 Y-T-D |          |             |
|---|---------------------------------|----------|-------------|
|   | FTE                             | GF/GP    | Gross       |
| <p><b>11. Training and Staff Development</b><br/> The <b>Executive</b> proposed recognition of a 2% salary economic increase plus economic increases in the areas of insurance &amp; retirement. The <b>Executive Budget Revision</b> removed economics included in the original proposal. The <b>Legislature</b> included the economic increase.</p> <p><b>Note:</b> Funding for Training and Staff Development subsequently reduced by \$250,000 Gross GF/GP in Executive Order 2001- 9 (not reflected in change column amounts).</p> | 0.0                             | \$41,200 | \$115,800   |
| <p><b>12. Community Services Block Grant</b><br/> The <b>Executive</b> did not make a proposal in this area.</p> <p>The <b>Legislature</b> included \$1.0 million in TANF funding to be utilized for Community Action Agencies programs.</p>  | 0.0                             | \$0      | \$1,000,000 |

| PART 1 LINE-ITEMS  | Changes from FY 2000-2001 Y-T-D |          |         |
|--|---------------------------------|----------|---------|
|  | FTE                             | GF/GP    | Gross   |
| <b>CHILD AND FAMILY SERVICES</b>   |                                 |          |         |
| <b>1. Salaries and Wages</b><br>The <b>Executive</b> proposed recognition of a 2% salary economic increase of \$53,600 Gross (\$37,300 GF/GP) in this area. The <b>Executive Budget Revision</b> removed economics included in the original proposal. The <b>Legislature</b> included the economic increase, but also recognized a "Hiring Freeze" savings of \$49,700 Gross (\$14,300 GF/GP) in order to reach <i>Target Number</i> . | 0.0                             | \$23,000 | \$3,900 |
| <b>2. Contractual Services, Supplies, and Materials</b><br>No Change.  | 0.0                             | \$0      | \$0     |
| <b>3. Refugee Assistance Program</b><br>The <b>Executive</b> proposed recognition of a 2% economic increase for salaries, and insurance and retirement. The <b>Legislature</b> concurred with the proposal.  | 0.0                             | \$0      | \$9,000 |

| PART 1 LINE-ITEMS   | Changes from FY 2000-2001 Y-T-D |               |               |
|---|---------------------------------|---------------|---------------|
|   | FTE                             | GF/GP         | Gross         |
| <p><b>4. Foster Care Payments</b><br/>The <b>Executive</b> recommended the following action:</p> <p><b>a)</b> State Ward Board Care caseload reduction of 369 to 2,010 in FY 2002, \$9.6 million Gross (\$4.8 million GF/GP). Includes \$25,984 average annual cost per case. The proposed decrease is due to the fact that many delinquency cases previously funded in the line are now funded in the Child Care Fund.</p> <p><b>b)</b> Title IV-E caseload increase of 51 to 5,948 in FY 2002, \$1.0 million Gross (\$437,200 GF/GP). Includes \$19,684 average annual cost per case.</p> <p><b>c)</b> Annualize FY 2001 3.0% rate increase to child placing agencies and private residential treatment facilities, \$1.6 million Gross (\$775,300 GF/GP).</p> <p><b>d)</b> Transfer-out remaining authorization for adoption support services to Adoption Support Services line item, \$429,000 Gross (\$227,200 GF/GP).</p> <p><b>e)</b> Full year 2% rate increase for foster care parents only, \$960,000 Gross (\$480,000 GF/GP).</p> <p><b>f)</b> Increase authority for private collections to meet anticipated availability and reduce GF/GP authority by same amount, \$0 Gross (\$559,600 GF/GP).</p> <p><b>g) Executive Budget Revision.</b> Chg #1 dated April 27, 2001 removing the full year 2% rate increase for foster care parents originally recommended in item <b>e</b>).</p> <p>During the budget process, the <b>Senate</b> included a “place holder” to provide a 5% increase for child placing agencies and private residential treatment facilities, and the <b>House</b> included funding to provide a 2% increase starting July 1 for all foster care parents and providers. Neither of these proposals were included in <b>Conference</b>.</p> <p>The <b>Legislature</b> concurred with items <b>a) - d)</b> and item <b>f)</b> above and included funding for 1.0% annual rate increase for foster care parents only, \$700,600 Gross (\$460,600 GF/GP).</p> | 0.0                             | (\$3,907,750) | (\$6,665,000) |

| PART 1 LINE-ITEMS  | Changes from FY 2000-2001 Y-T-D |                |                |
|--|---------------------------------|----------------|----------------|
|  | FTE                             | GF/GP          | Gross          |
| <p><b>5. Wayne County Foster Care Payments</b><br/>The <b>Executive</b> recommended the following action:</p> <p><b>a)</b> State Ward Board Care caseload reduction of 1,317 to 1,690 in FY 2002, \$35.7 million Gross (\$17.9 million GF/GP). Includes \$27,112 average annual cost per case. The proposed decrease is due to the fact that many delinquency cases previously funded in the line are now funded in the Child Care Fund.</p> <p><b>b)</b> Title IV-E caseload increase of 38 to 4,452 in FY 2002, \$731,500 Gross (\$318,900 GF/GP). Includes \$19,200 average annual cost per case.</p> <p><b>c)</b> Annualize FY 2001 3.0% rate increase to child placing agencies and private residential treatment facilities, \$1.4 million Gross (\$643,500 GF/GP).</p> <p><b>d)</b> Transfer-out remaining authorization for adoption support services to Adoption Support Services line item, \$351,000 Gross (\$185,900 GF/GP).</p> <p><b>e)</b> Full year 2% rate increase for foster care parents only, \$640,000 Gross (\$320,000 GF/GP).</p> <p><b>f)</b> Increase authority for private collections to meet anticipated availability and reduce GF/GP authority by same amount, \$0 Gross (\$373,000 GF/GP).</p> <p><b>g) Executive Budget Revision.</b> Chg #1 dated April 27, 2001 removing the full year 2% rate increase for foster care parents originally recommended in item <b>e</b>).</p> <p>During the budget process, the <b>Senate</b> included a “place holder” to provide a 5% increase for child placing agencies and private residential treatment facilities, and the <b>House</b> included funding to provide a 2% increase starting July 1 for all foster care parents and providers. Neither of these proposals were included in <b>Conference</b>.</p> <p>The <b>Legislature</b> concurred with items <b>a) - d)</b> and item <b>f)</b> above and included funding for 1.0% annual rate increase for foster care parents only, \$320,000 Gross (\$160,000 GF/GP).</p> | 0.0                             | (\$17,289,750) | (\$33,636,900) |



| PART 1 LINE-ITEMS   | Changes from FY 2000-2001 Y-T-D |             |              |
|---|---------------------------------|-------------|--------------|
|   | FTE                             | GF/GP       | Gross        |
| <p><b>6. Adoption Subsidies</b><br/>The <b>Executive</b> recommended the following action:</p> <p><b>a)</b> Federal authority to cover projected base shortfall, \$5.4 million Gross (\$0 GF/GP). Budgeted caseload for FY 2001 is currently 19,260, but current projected FY 2001 caseload is 19,500.</p> <p><b>b)</b> Adoption Subsidy caseload increase to 21,200 at an estimated average annual cost per case of \$8,000, \$13.7 million Gross (\$5.3 million GF/GP).</p> <p><b>c)</b> Transfer-in funding authority for adoption subsidies related one-time administrative costs from Adoption Support Services line item, \$328,100 Gross (\$164,000 GF/GP).</p> <p><b>d)</b> Full year 2% adoption subsidy rate increase, \$3.4 million Gross (\$1.3 million GF/GP).</p> <p><b>e) Executive Budget Revision.</b> Chg #1 dated April 27, 2001 removing the full year 2% adoption subsidy rate increase originally recommended in item <b>d</b>).</p> <p>During the budget process, the <b>House</b> included funding to provide a 2% increase starting July 1 for parents receiving adoption subsidy. The proposal was not included in <b>Conference</b>.</p> <p>The <b>Legislature</b> concurred with items <b>a) - c)</b> above and included funding for 1.0% annual adoption subsidy rate increase, \$1.7 million Gross (\$650,000 GF/GP).</p> | 0.0                             | \$6,103,600 | \$21,109,100 |

| PART 1 LINE-ITEMS   | Changes from FY 2000-2001 Y-T-D |           |             |
|---|---------------------------------|-----------|-------------|
|   | FTE                             | GF/GP     | Gross       |
| <p><b>7. Adoption Support Services</b><br/>The <b>Executive</b> recommended the following action:</p> <p><b>a)</b> Annualize FY 2001 3.0% rate increase to child placing agencies, \$107,400 Gross (\$61,200 GF/GP).</p> <p><b>b)</b> Transfer-in adoption support services related authorization from foster care lines, \$780,000 Gross (\$413,100 GF/GP). Add authorization to area to reflect increased service demand, \$400,000 Gross (\$211,800 GF/GP).</p> <p><b>c)</b> Transfer-out funding authority for one-time administrative costs to Adoption Subsidies line item, \$328,100 Gross (\$164,000 GF/GP).</p> <p><b>d)</b> Economics - 2% for salaries, and insurance &amp; retirement, \$16,100 Gross (\$8,000 GF/GP).</p> <p><b>e) Executive Budget Revision.</b> Chg #1 dated April 27, 2001 removing economics relating to Salaries &amp; Wages, Insurance and Retirement.</p> <p>During the budget process, the <b>Senate</b> included a “place holder” to provide a 5% increase for child placing agencies, and the <b>House</b> included funding to provide a 2% increase starting July 1 for child placing agencies. Neither of these proposals were included in <b>Conference</b>.</p> <p>The <b>Legislature</b> concurred with items <b>a) - d)</b> above.</p> | 0.0                             | \$530,100 | \$975,400   |
| <p><b>8. Youth in Transition</b><br/>The <b>Executive</b> proposed the following action:</p> <p><b>a)</b> Increase authority to reflect available federal Title IV-E Independent Living funding, \$2.0 million Gross.</p> <p><b>b)</b> Economics - 2% for salaries, and insurance &amp; retirement, \$19,700 Gross (\$6,700 GF/GP).</p> <p><b>c) Executive Budget Revision.</b> Chg #1 dated April 27, 2001 removing economics relating to Salaries &amp; Wages, Insurance and Retirement.</p> <p>During the budget process, the <b>Senate</b> recommended a \$75,000 increase in program funding. The proposal was not included in <b>Conference</b>.</p> <p>The <b>Legislature</b> concurred with items <b>a) - b)</b> above.</p>   | 0.0                             | \$6,700   | \$2,019,700 |

| PART 1 LINE-ITEMS   | Changes from FY 2000-2001 Y-T-D |         |             |
|---|---------------------------------|---------|-------------|
|   | FTE                             | GF/GP   | Gross       |
| <b>9. Interstate Compact</b><br>No Change.  | 0.0                             | \$0     | \$0         |
| <b>10. Children's Benefit Fund Donations</b><br>No Change.  | 0.0                             | \$0     | \$0         |
| <b>11. Domestic Violence Prevention and Treatment</b><br>The <b>Executive</b> proposed the following action:<br><br><b>a)</b> Transfer-in funding authority for STOP Grants from Executive Operations Demonstration Projects, \$3.4 million Gross (\$0 GF/GP).<br><br><b>b)</b> Transfer-out sexual assault prevention related funding authority to Rape Prevention and Services line item, \$1.5 million Gross (\$0 GF/GP).<br><br><b>c)</b> Economics - 2% for salaries, and insurance & retirement, \$10,300 Gross (\$1,000 GF/GP).<br><br><b>d) Executive Budget Revision.</b> Chg #1 dated April 27, 2001 removing economics relating to Salaries & Wages, Insurance and Retirement.<br><br>During the budget process, the <b>Senate</b> recommended a \$75,000 increase in program funding. The proposal was not included in <b>Conference</b> .<br><br>The <b>Legislature</b> concurred with items <b>a) - c)</b> above. | 0.0                             | \$1,000 | \$1,910,300 |
| <b>12. Teenage Parent Counseling</b><br>The <b>Executive</b> proposed recognition of a 2% economic increase for salaries, and insurance & retirement. The <b>Executive Budget Revision</b> removed economics included in the original proposal. The <b>Legislature</b> included the economic increase.<br><br>During the budget process, the <b>Senate</b> recommended a \$75,000 increase in program funding. The proposal was not included in <b>Conference</b> .   | 0.0                             | \$2,800 | \$7,200     |

| PART 1 LINE-ITEMS  | Changes from FY 2000-2001 Y-T-D |          |             |
|--|---------------------------------|----------|-------------|
|  | FTE                             | GF/GP    | Gross       |
| <p><b>13. Family Preservation and Prevention Services</b><br/>The <b>Executive</b> proposed the following action:</p> <p><b>a)</b> Increase to bring authorization up to FY 2000 level for the Child Well Being Program, \$500,000 Gross (\$0 GF/GP).</p> <p><b>b)</b> Economics - 2% for salaries, and insurance &amp; retirement, \$39,100 Gross (\$11,700 GF/GP).</p> <p><b>c) Executive Budget Revision.</b> Chg #1 dated April 27, 2001 removing economics relating to Salaries &amp; Wages, Insurance and Retirement.</p> <p>During the budget process, the <b>Senate</b> included a "place holder" for Child Advocacy Centers, and the <b>House</b> included \$1.5 million in TANF for "outstate" expansion of the Family Reunification Program and \$100,000 in TANF for a school-based mentor pilot program. None of these proposals were included in <b>Conference</b>.</p> <p>The <b>Legislature</b> concurred with items <b>a) - b)</b> above and included Senate proposal of \$112,500 TANF for Created for Caring program.</p> <p><b>Note:</b> Funding for Child Advocacy Centers subsequently reduced by \$236,600 Gross GF/GP in Executive Order 2001- 9 (not reflected in change column amounts).</p> | 0.0                             | \$11,700 | \$651,600   |
| <p><b>14. Black Child and Family Institute</b><br/>No Change.</p>  | 0.0                             | \$0      | \$0         |
| <p><b>15. Rape Prevention and Services</b><br/>The <b>Executive</b> proposed the transfer-in of sexual assault prevention related funding authority from Domestic Violence Prevention and Treatment line item. The <b>Legislature</b> concurred with the proposal.</p>   | 0.0                             | \$0      | \$1,500,000 |
| <p><b>16. Children's Trust Fund Administration</b><br/>The <b>Executive</b> proposed recognition of a 2% economic increase for salaries, and insurance &amp; retirement. The <b>Legislature</b> concurred with the proposal.</p>   | 0.0                             | \$0      | \$10,800    |
| <p><b>17. Children's Trust Fund Grants</b><br/>No Change.</p>  | 0.0                             | \$0      | \$0         |

| PART 1 LINE-ITEMS   | Changes from FY 2000-2001 Y-T-D |       |       |
|---|---------------------------------|-------|-------|
|   | FTE                             | GF/GP | Gross |
| <b>18. Attorney General Contract</b><br>No Change.  | 0.0                             | \$0   | \$0   |
| <b>19. Guardian Contract</b><br>No Change.  | 0.0                             | \$0   | \$0   |
| <b>20. County Shelters</b><br>The <b>Executive</b> recommended the elimination of this line due to no utilization of federal pass-through. The <b>Legislature</b> did not concur with the recommendation. | 0.0                             | \$0   | \$0   |
| <b>21. Prosecuting Attorney Contract</b><br>No Change.  | 0.0                             | \$0   | \$0   |

| PART 1 LINE-ITEMS  | <u>Changes from FY 2000-2001 Y-T-D</u> |                |                |
|--|--|----------------|----------------|
|  | FTE                                    | GF/GP          | Gross          |
| <b>JUVENILE JUSTICE SERVICES</b>   |  |                |                |
| <p><b>1. Personnel Payroll Costs</b><br/> The <b>Executive</b> recommended the following action:</p> <p><b>a)</b> Transfer-in funding and positions to cover staffing needs and reduce overtime costs in Personnel Payroll from Genesee Valley, Burton and Northwest Detention Centers line item due to closing of Northwest facility, \$2.3 million Gross (\$1.1 million GF/GP).</p> <p><b>b)</b> Transfer-in funding and position to cover clerical needs in assignment unit within Personnel Payroll from Genesee Valley, Burton and Northwest Detention Centers line item due to closing of Burton facility, \$45,000 Gross (\$22,500 GF/GP).</p> <p><b>c)</b> Transfer-in funding and positions to create employee pool to cover leaves of absence and long term vacancies at facilities within Personnel Payroll from Genesee Valley, Burton and Northwest Detention Centers line item due to closing of Burton facility, \$4.0 million Gross (\$2.0 million GF/GP).</p> <p><b>d)</b> Transfer-in funding and positions for program specialists (handle program development and after care service contracts) within Personnel Payroll from Genesee Valley, Burton and Northwest Detention Centers line item due to closing of Burton facility, \$141,400 Gross (\$70,700 GF/GP).</p> <p><b>e)</b> Transfer-in funding and positions to ensure safety and handle quality issues within Maxey facilities from Community Juvenile Justice Centers line item due to closing of Western Wayne Day Treatment, \$1.3 million Gross (\$631,000 GF/GP).</p> <p><b>f)</b> Transfer-in funding and positions to increase Child Care Fund (CCF) auditors to handle workload due to growth in CCF from Community Juvenile Justice Centers line item due to closing of Western Wayne Day Treatment, \$138,400 GF/GP.</p> <p><b>g)</b> Transfer-in funding and position to provide a Victims Resource Specialist (coordinate services with Victims Services coordinators within Prosecuting Attorney Offices) within Personnel Payroll from Community Juvenile Justice Centers line item due to closing of Western Wayne Day Treatment, \$69,200 Gross (\$34,600 GF/GP).</p> | (847.9)                                | (\$21,171,600) | (\$51,883,000) |

| PART 1 LINE-ITEMS  | Changes from FY 2000-2001 Y-T-D |          |       |
|--|---------------------------------|----------|-------|
|  | FTE                             | GF/GP    | Gross |
| <p><b>Personnel Payroll Costs (Cont'd)</b></p> <p><b>h)</b> Transfer-out funding to consolidate functions and personnel related to reintegration and aftercare services within the Residential Care Centers in the Community Juvenile Justice Centers line item, \$9,300 Gross (\$4,700 GF/GP).</p> <p><b>i)</b> Transfer-out funding and positions to consolidate all detention and treatment facility expenditures in one line first within Genesee Valley, Burton and Northwest Detention Centers and finally within the new Regional Detention and Treatment line item, \$5.6 million Gross (\$2.8 million GF/GP).</p> <p><b>j)</b> Transfer-out funding and positions to create a separate line for CCF administration, \$496,500 GF/GP.</p> <p><b>k)</b> Transfer-out funding and positions to create a separate Mental Health Services line item, \$265,900 Gross (\$132,900 GF/GP).</p> <p><b>l)</b> Economics - 2% for salaries, and insurance &amp; retirement, \$1.5 million Gross (\$633,600 GF/GP).</p> <p><b>m) Executive Budget Revision.</b> Chg #1 dated April 27, 2001 removing economics relating to Salaries &amp; Wages, Insurance and Retirement.</p> <p>The <b>Legislature</b> concurred with items <b>a) - l)</b> above and agreed to roll-up a number of lines within this appropriation unit into the Juvenile Justice Operations line. Accordingly, the entire balance within this line was transferred-out to the Juvenile Justice Operations line, \$55.0 million Gross (\$22.4 million GF/GP).</p> | See                             | Previous | Page  |

| PART 1 LINE-ITEMS  | Changes from FY 2000-2001 Y-T-D |              |              |
|--|---------------------------------|--------------|--------------|
|  | FTE                             | GF/GP        | Gross        |
| <p><b>2. Juvenile Justice Operations</b></p> <p>The <b>Executive</b> recommended the following action:</p> <p><b>a)</b> Transfer-in funding for program specialists (handle program development and after care service contracts) from Genesee Valley, Burton and Northwest Detention Centers line item due to closing of Burton facility, \$61,700 Gross (\$30,900 GF/GP).</p> <p><b>b)</b> Transfer-in funding to provide a Victims Resource Specialist (coordinate services with Victims Services coordinators within Prosecuting Attorney Offices) from Community Juvenile Justice Centers line item due to closing of Western Wayne Day Treatment, \$5,000 Gross (\$2,500 GF/GP).</p> <p><b>c)</b> Transfer-out funding to consolidate functions and personnel related to reintegration and aftercare services within the Residential Care Centers in the Community Juvenile Justice Centers line item, \$66,700 Gross (\$33,300 GF/GP).</p> <p><b>d)</b> Transfer-out funding to consolidate all detention and treatment facility expenditures in one line first within Genesee Valley, Burton and Northwest Detention Centers and finally within the new Regional Detention and Treatment line item, \$1.4 million Gross (\$690,000 GF/GP).</p> <p><b>e)</b> Transfer-out funding to create a separate line for CCF administration, \$377,500 GF/GP.</p> <p><b>f)</b> Transfer-out funding to create a separate Mental Health Services line item, \$265,900 Gross (\$133,000 GF/GP).</p> <p><b>g)</b> Transfer-in funding for updated equipment at state facilities from Genesee Valley, Burton and Northwest Detention Centers line item, \$359,200 Gross (\$179,600 GF/GP).</p> <p><b>h)</b> Add one-time funding for items needed to make new Maxey Training School wings operational, including a man-down system, radios, computers and printers, \$1.0 million Gross (\$504,300 GF/GP).</p> <p><b>i)</b> Economics - 2.6% food base increase to cover costs at state facilities, \$48,200 Gross (\$22,700 GF/GP).</p> | 1,206.6                         | \$38,955,600 | \$85,716,600 |



| PART 1 LINE-ITEMS   | Changes from FY 2000-2001 Y-T-D |               |               |
|---|---------------------------------|---------------|---------------|
|   | FTE                             | GF/GP         | Gross         |
| <p><b>Juvenile Justice Operations (Cont'd)</b></p> <p>The <b>Legislature</b> concurred with items <b>a) - i)</b> above and agreed to roll-up a number of lines within this appropriation unit into the Juvenile Justice Operations line. Accordingly, entire balances of several lines were transferred-in to the line, \$86.3 million Gross (\$39.4 million GF/GP).</p> <p><b>Note:</b> Line subsequently reduced by \$8.9 million Gross (\$4.9 million GF/GP) in Executive Order 2001- 9 (not reflected in change column amounts).</p>  | See                             | Previous      | Page          |
| <p><b>3. Community Juvenile Justice Centers</b></p> <p>The <b>Executive</b> recommended the following action:</p> <p><b>a)</b> Transfer-out funding and positions to Personnel Payroll and Juvenile Justice Operations line items due to closing of Western Wayne Day Treatment, \$1.5 million Gross (\$806,500 GF/GP).</p> <p><b>b)</b> Transfer-in funding and positions to consolidate functions and personnel related to reintegration and aftercare services within the Residential Care Centers from Personnel Payroll, Juvenile Justice Operations and Genesee Valley, Burton and Northwest Detention Centers line items, \$547,200 Gross (\$273,600 GF/GP).</p> <p><b>c)</b> Transfer-out funding and positions to create a separate Mental Health Services line item, \$42,900 Gross (\$21,400 GF/GP).</p> <p><b>d)</b> Economics - 2% for salaries, and insurance &amp; retirement, \$118,600 Gross (\$54,400 GF/GP).</p> <p><b>e)</b> Economics - 2.6% food base increase to cover costs at state facilities, \$6,900 Gross (\$3,200 GF/GP).</p> <p><b>f) Executive Budget Revision.</b> Chg #1 dated April 27, 2001 removing economics relating to Salaries &amp; Wages, Insurance and Retirement.</p> <p>The <b>Legislature</b> concurred with items <b>a) - e)</b> above and agreed to roll-up a number of lines within this appropriation unit into the Juvenile Justice Operations line. Accordingly, the entire balance within this line was transferred-out to the Juvenile Justice Operations line, \$6.9 million Gross (\$3.1 million GF/GP).</p> | (107.0)                         | (\$3,570,600) | (\$7,784,700) |

| PART 1 LINE-ITEMS  | Changes from FY 2000-2001 Y-T-D |               |                |
|--|---------------------------------|---------------|----------------|
|  | FTE                             | GF/GP         | Gross          |
| <p><b>4. Genesee Valley, Burton and Northwest Detention Centers</b></p> <p>The <b>Executive</b> recommended the following action:</p> <p><b>a)</b> Transfer-out funding and positions to Personnel Payroll from line item due to closing of Northwest facility, \$2.3 million Gross (\$1.1 million GF/GP).</p> <p><b>b)</b> Transfer-out funding and positions to Personnel Payroll and Juvenile Justice Operations from line item due to closing of Burton facility, \$4.2 million Gross (\$2.1 million GF/GP).</p> <p><b>c)</b> Transfer-out funding to Regional Detention Services for electronic monitoring and transportation from line item due to facility closures, \$424,000 Gross (\$212,000 GF/GP).</p> <p><b>d)</b> Transfer-out funding and positions to consolidate functions and personnel related to reintegration and aftercare services within the Residential Care Centers in the Community Juvenile Justice Centers line item, \$471,200 Gross (\$235,600 GF/GP).</p> <p><b>e)</b> Transfer-in funding and positions to consolidate all detention and treatment facility expenditures in one line from Personnel Payroll and Juvenile Justice Operations, \$7.0 million Gross (\$3.5 million GF/GP).</p> <p><b>f)</b> Transfer-out funding and positions to create a separate Mental Health Services line item, \$2.7 million Gross (\$1.3 million GF/GP).</p> <p><b>g)</b> Transfer-out funding to Juvenile Justice Operations for updated equipment at state facilities, \$359,200 Gross (\$179,600 GF/GP).</p> <p><b>h)</b> Eliminate current line and create new line called Regional Detention and Treatment due to closure of Burton and Northwest and addition of other state facilities, \$15.0 million Gross (\$7.5 million GF/GP).</p> <p>The <b>Legislature</b> concurred with proposals above.</p> | (254.2)                         | (\$9,244,700) | (\$18,489,400) |
| <p><b>5. Federally Funded Activities</b></p> <p>The <b>Executive</b> proposed recognition of a 2% economic increase for salaries, and insurance &amp; retirement. The <b>Legislature</b> concurred with the proposal.</p>  | 0.0                             | \$0           | \$16,400       |

| PART 1 LINE-ITEMS  | Changes from FY 2000-2001 Y-T-D |               |               |
|--|---------------------------------|---------------|---------------|
|  | FTE                             | GF/GP         | Gross         |
| <b>6. Maxey Memorial Fund</b><br>No Change.  | 0.0                             | \$0           | \$0           |
| <b>7. Regional Detention Services</b><br><br>The <b>Executive</b> recommended the following action:<br><br><b>a)</b> Transfer-in funding to cover increasing costs related to electronic monitoring and transportation from Genesee Valley, Burton and Northwest Detention Centers line item due to facility closures, \$424,000 Gross (\$212,000 GF/GP).<br><br><b>b)</b> Add funding to cover increasing costs for electronic monitoring of juveniles following release and for reimbursement to volunteers for mileage spent transporting juveniles between facilities, \$252,600 GF/GP.<br><br><b>c)</b> Economics - 2% for salaries, and insurance & retirement, \$6,100 GF/GP.<br><br><b>d) Executive Budget Revision.</b> Chg #1 dated April 27, 2001 removing economics relating to Salaries & Wages, Insurance and Retirement.<br><br>The <b>Legislature</b> concurred with items <b>a) - c)</b> above and agreed to roll-up a number of lines within this appropriation unit into the Juvenile Justice Operations line. Accordingly, the entire balance within this line was transferred-out to the Juvenile Justice Operations line, \$1.9 million Gross (\$1.7 million GF/GP). | (5.0)                           | (\$1,217,500) | (\$1,217,500) |
| <b>8. Juvenile Accountability Incentive Block Grant</b><br>The <b>Executive</b> proposed recognition of a 2% economic increase for salaries, and insurance & retirement. The <b>Executive Budget Revision</b> removed economics included in the original proposal. The <b>Legislature</b> included the economic increase.  | 0.0                             | \$1,000       | \$9,600       |
| <b>9. Juvenile Boot Camp Program</b><br>No change.   | 0.0                             | \$0           | \$0           |

| PART 1 LINE-ITEMS  | Changes from FY 2000-2001 Y-T-D |               |               |
|--|---------------------------------|---------------|---------------|
|  | FTE                             | GF/GP         | Gross         |
| <p><b>10. Committee on Juvenile Justice Administration</b><br/> The <b>Executive</b> proposed recognition of a 2% economic increase for salaries, and insurance &amp; retirement. The <b>Executive Budget Revision</b> removed economics included in the original proposal. The <b>Legislature</b> included the economic increase.</p>   | 0.0                             | \$5,800       | \$12,500      |
| <p><b>11. Committee on Juvenile Justice Grants</b><br/> No change.</p>   | 0.0                             | \$0           | \$0           |
| <p><b>12. Child Care Fund</b></p> <p>The <b>Executive</b> recommended the following action:</p> <p><b>a)</b> Increase due to anticipated growth in account. Much of the proposed increase is due to the fact that many delinquency cases previously funded in foster care lines are now funded in the Child Care Fund, \$33.9 million Gross (\$20.4 million GF/GP).</p> <p><b>b)</b> Shift funding authority by transferring-out TANF to the Day Care Services line item and transferring-in an equal amount of GF/GP from the account, \$0 Gross (\$8.5 million GF/GP).</p> <p>The <b>Legislature</b> concurred with the proposals above.</p>   | 0.0                             | \$28,947,500  | \$33,947,500  |
| <p><b>13. County Juvenile Officers</b></p> <p>The <b>Executive</b> recommended the following action:</p> <p><b>a)</b> Economics - 2% for salaries, and insurance &amp; retirement, \$11,200 Gross (\$8,600 GF/GP).</p> <p><b>b) Executive Budget Revision.</b> Chg #1 dated April 27, 2001 removing economics relating to Salaries &amp; Wages, Insurance and Retirement.</p> <p>The <b>Legislature</b> concurred with item <b>a)</b> above and agreed to roll-up a number of lines within this appropriation unit into the Juvenile Justice Operations line. Accordingly, the entire balance within this line was transferred-out to the Juvenile Justice Operations line, \$3.9 million Gross (\$3.0 million GF/GP).</p> | 0.0                             | (\$2,964,600) | (\$3,863,300) |

| PART 1 LINE-ITEMS   | Changes from FY 2000-2001 Y-T-D |           |           |
|---|---------------------------------|-----------|-----------|
|   | FTE                             | GF/GP     | Gross     |
| <p><b>14. Child Care Fund Administration</b></p> <p>The <b>Executive</b> recommended the following action:</p> <p><b>a)</b> Transfer-in funding and positions to create a new line for CCF administration from Personnel Payroll and Juvenile Justice Operations line items, \$874,000 GF/GP.</p> <p><b>b)</b> Economics - 2% for salaries, and insurance &amp; retirement, \$10,000 Gross (\$5,000 GF/GP).</p> <p><b>c) Executive Budget Revision.</b> Chg #1 dated April 27, 2001 removing economics relating to Salaries &amp; Wages, Insurance and Retirement.</p> <p>The <b>Legislature</b> concurred with items <b>a) - b)</b> above.</p>   | 7.5                             | \$879,000 | \$884,000 |
| <p><b>15. Professional Mental Health Services</b></p> <p>The <b>Executive</b> recommended the following action:</p> <p><b>a)</b> Transfer-in funding and positions to create a new line for Mental Health Services from Personnel Payroll, Juvenile Justice Operations, Community Juvenile Justice Centers and Genesee Valley, Burton and Northwest Detention Centers line items, \$3.3 million Gross (\$1.6 million GF/GP).</p> <p><b>b)</b> Economics - 2% for salaries, and insurance &amp; retirement, \$44,800 Gross (\$20,400 GF/GP).</p> <p><b>c) Executive Budget Revision.</b> Chg #1 dated April 27, 2001 removing economics relating to Salaries &amp; Wages, Insurance and Retirement.</p> <p>The <b>Legislature</b> concurred with items <b>a) - b)</b> above and agreed to roll-up a number of lines within this appropriation unit into the Juvenile Justice Operations line. Accordingly, the entire balance within this line was transferred-out to the Juvenile Justice Operations line, \$3.3 million Gross (\$1.7 million GF/GP).</p> | 0.0                             | \$0       | \$0       |

| PART 1 LINE-ITEMS  | Changes from FY 2000-2001 Y-T-D |       |       |
|--|---------------------------------|-------|-------|
|  | FTE                             | GF/GP | Gross |
| <p><b>16. Regional Detention and Treatment</b></p> <p>The <b>Executive</b> recommended the following action:</p> <p><b>a)</b> Transfer-in funding and positions from Genesee Valley, Burton and Northwest Detention Centers line item to create a new line called Regional Detention and Treatment due to closure of Burton and Northwest and consolidation of other regional facilities, \$15.0 million Gross (\$7.5 million GF/GP). Facilities in line include: Shawono Center, Genesee Valley Regional Center and Bay Pines Center.</p> <p><b>b)</b> Economics - 2% for salaries, and insurance &amp; retirement, \$300,200 Gross (\$150,200 GF/GP).</p> <p><b>c)</b> Economics - 2.6% food base increase to cover costs at state facilities, \$9,200 Gross (\$4,600 GF/GP).</p> <p><b>d) Executive Budget Revision.</b> Chg #1 dated April 27, 2001 removing economics relating to Salaries &amp; Wages, Insurance and Retirement.</p> <p>The <b>Legislature</b> concurred with items <b>a) - c)</b> above and agreed to roll-up a number of lines within this appropriation unit into the Juvenile Justice Operations line. Accordingly, the entire balance within this line was transferred-out to the Juvenile Justice Operations line, \$15.3 million Gross (\$7.7 million GF/GP).</p> | 0.0                             | \$0   | \$0   |

| PART 1 LINE-ITEMS   | Changes from FY 2000-2001 Y-T-D |                |                 |
|---|---------------------------------|----------------|-----------------|
|   | FTE                             | GF/GP          | Gross           |
| <b>LOCAL OFFICE STAFF AND OPERATIONS</b>  |                                 |                |                 |
| <p><b>1. Field Staff Salaries and Wages</b></p> <p>The <b>Executive</b> proposed an economic base increase of 2%, \$5.9 million Gross, (\$2.4 million GF/GP). Subsequently, as a means to achieve budgetary savings, the <b>Executive</b> released a <b>Budget Revision</b> removing much of the economics included in the before mentioned proposal, \$4.1 million Gross, (\$2.4 million GF/GP).</p> <p>The <b>Legislature</b> included the original economic increase, but not the revision. Instead the Legislature recognized "Hiring Freeze" savings of \$5.1 million Gross (\$2.0 million GF/GP) in order to reach <i>Target Number</i>. Additionally, an agreement was reached to roll-up the Children and Adult Services, salaries and wages line (located within this same appropriation unit) into this line, 2,826.9 FTE's, \$119.7 million Gross, (\$40.4 million GF/GP). See item #2 below.</p> <p><b>Note:</b> Funding for Field Staff, Salary and Wages subsequently reduced by \$2.4 million Gross GF/GP in Executive Order 2001- 9 (not reflected in change column amounts).</p> | 2,826.9                         | \$40,811,600   | \$120,562,200   |
| <p><b>2. Children and Adult Services Salaries and Wages</b></p> <p>The <b>Executive</b> proposed an economic base increase of 2%, \$2.4 million Gross, (\$801,800 GF/GP). Subsequently, as a means to achieve budgetary savings, the <b>Executive</b> released a <b>Budget Revision</b> removing much of the economics included in the before mentioned proposal, \$1.9 million Gross, (\$801,800 GF/GP).</p> <p>The <b>Legislature</b> included the original economic increase, but not the revision. Instead the Legislature recognized "Hiring Freeze" savings of \$2.2 million Gross (\$518,200 GF/GP) in order to reach <i>Target Number</i>. Additionally, an agreement was reached to roll-up this line (Children and Adult Services, salaries and wages) into the Field Staff, Salaries and Wages line (located within this same appropriation unit), 2,826.9 FTE's, \$119.7 million Gross, (\$40.4 million GF/GP). See item #1 above.</p>  | (2,826.9)                       | (\$40,087,200) | (\$119,502,700) |

| PART 1 LINE-ITEMS  | Changes from FY 2000-2001 Y-T-D |          |           |
|--|---------------------------------|----------|-----------|
|  | FTE                             | GF/GP    | Gross     |
| <p><b>3. Contractual Services, Supplies, and Materials</b><br/>The <b>Executive</b> did not make a proposal in this area.</p> <p>The <b>Senate</b> initially recognized budgetary savings of \$3.6 million (Gross) in this line while the <b>House</b> initially recognized budgetary savings of \$3.2 million (Gross) within this line. In conference however, the <b>Legislature</b> agreed to make no changes from the previous fiscal year.</p> <p><b>Note:</b> Funding for CSS&amp;M subsequently reduced by \$750,000 Gross GF/GP in Executive Order 2001- 9 (not reflected in change column amounts).</p> | 0.0                             | \$0      | \$0       |
| <p><b>4. Outstationed Eligibility Workers</b><br/>The <b>Executive</b> proposed recognition of a 2% salary economic increase plus economic increases in the areas of insurance &amp; retirement, \$133,600 Gross, (\$60,200 Private and \$73,400 Federal).</p> <p>The <b>Legislature</b> included the economic increase, but also recognized a “technical adjustment”. This adjustment added \$199,900 in private funding authority to this line so as to properly fund this line item at a ratio of 50% private dollars and 50% federal dollars.</p>  | 0.0                             | \$0      | \$333,500 |
| <p><b>5. Wayne County Gifts and Bequests</b><br/>No change.</p>  | 0.0                             | \$0      | \$0       |
| <p><b>6. Volunteer Services and Reimbursement</b><br/>The <b>Executive</b> proposed recognition of a 2% economic increase for salaries, and insurance and retirement. The <b>Executive Budget Revision</b> removed economics included in the original proposal. The <b>Legislature</b> included the economic increase.</p>   | 0.0                             | \$41,500 | \$145,700 |



| PART 1 LINE-ITEMS   | Changes from FY 2000-2001 Y-T-D |             |             |
|---|---------------------------------|-------------|-------------|
|   | FTE                             | GF/GP       | Gross       |
| <b>DISABILITY DETERMINATION SERVICES</b>  |                                 |             |             |
| <p><b>1. Disability Determination Operations</b></p> <p>The <b>Executive</b> recommended the following action:</p> <p><b>a)</b> Economics - 2% for salaries, and insurance &amp; retirement, \$1.2 Gross (\$0 GF/GP).</p> <p>The <b>Legislature</b> concurred with the above proposal and made a negative funding adjustment to reflect need, \$1.5 million Gross (\$0 GF/GP).</p>  | 0.0                             | \$0         | (\$318,600) |
| <p><b>2. Medical Consultation Program</b></p> <p>The <b>Executive</b> recommended the following action:</p> <p><b>a)</b> Adjust fund sourcing, \$0 Gross (\$1.3 million GF/GP).</p> <p><b>b)</b> Economics - 2% for salaries, and insurance &amp; retirement, \$41,100 Gross (\$20,900 GF/GP).</p> <p><b>c) Executive Budget Revision.</b> Chg #1 dated April 27, 2001 removing economics relating to Salaries &amp; Wages, Insurance and Retirement.</p> <p>The <b>Legislature</b> concurred with item <b>b)</b> above and adjusted <b>a)</b> to include \$1.3 million Gross increase matching the GF/GP increase.</p> | 0.0                             | \$1,295,500 | \$1,315,700 |
| <p><b>3. Retirement Disability Determination</b></p> <p>The <b>Executive</b> recommended the following action:</p> <p><b>a)</b> Adjust fund sourcing, \$0 Gross (\$200,300 Restricted).</p> <p><b>b)</b> Economics - 2% for salaries, and insurance &amp; retirement, \$9,200 Gross (\$0 GF/GP).</p> <p>The <b>Legislature</b> concurred with item <b>b)</b> above and adjusted <b>a)</b> to include \$200,300 Gross increase matching the Restricted funding increase.</p>   | 0.0                             | \$0         | \$209,500   |

| PART 1 LINE-ITEMS  | Changes from FY 2000-2001 Y-T-D |             |               |
|--|---------------------------------|-------------|---------------|
|  | FTE                             | GF/GP       | Gross         |
| <b>CENTRAL SUPPORT ACCOUNTS</b>  |                                 |             |               |
| <p><b>1. Rent</b><br/>The <b>Executive</b> recommended no change in this area.</p> <p>In conference, the <b>Legislature</b>, in order to reach <i>Target Number</i>, recognized savings of \$1.7 million Gross, (\$800,000 GF/GP) applicable to over appropriated rental costs mainly due to recent purchase of Grand Tower.</p> <p><b>Note:</b> Funding for Rent subsequently reduced by \$500,000 Gross GF/GP in Executive Order 2001- 9 (not reflected in change column amounts).</p> | 0.0                             | (\$800,000) | (\$1,667,000) |
| <p><b>2. Occupancy Charges</b><br/>The <b>Executive</b> proposed an economic base increase of \$718,000 Gross (\$365,700 GF/GP) in this area.</p> <p>The <b>House</b> initially recognized budgetary savings of \$1.0 million (Gross) in this line, while the <b>Senate</b> initially did not recognize savings in this area. In conference however, the <b>Legislature</b> agreed to savings of \$833,500 Gross (\$400,000 GF/GP) in order to reach <i>Target Number</i>.</p>           | 0.0                             | (\$34,300)  | (\$55,500)    |
| <p><b>3. Travel</b><br/>No Change Initially.</p> <p><b>Note:</b> Funding for Travel subsequently reduced by \$250,000 Gross GF/GP in Executive Order 2001- 9 (not reflected in change column amounts).</p>   | 0.0                             | \$0         | \$0           |
| <p><b>4. Equipment</b><br/>No Change Initially.</p> <p><b>Note:</b> Funding for Equipment subsequently reduced by \$951,200 Gross (\$500,000 GF/GP) in Executive Order 2001- 9 (not reflected in change column amounts).</p>   | 0.0                             | \$0         | \$0           |
| <p><b>5. Worker's Compensation</b><br/>The <b>Executive</b> recommended a 2.3% reduction in this area based upon current estimates from DMB risk management operations. The <b>Legislature</b> concurred.</p>  | 0.0                             | (\$57,800)  | (\$122,900)   |

| PART 1 LINE-ITEMS   | Changes from FY 2000-2001 Y-T-D |             |             |
|---|---------------------------------|-------------|-------------|
|   | FTE                             | GF/GP       | Gross       |
| <p><b>6. Advisory Commission</b><br/>No Change.</p>   | 0.0                             | \$0         | \$0         |
| <p><b>7. Payroll Taxes and Fringes</b></p> <p>The <b>Executive</b> proposed the following changes in this area:</p> <p><b>a)</b> Base adjustment in this area in line with anticipated spending levels, \$694,700 (all federal).</p> <p><b>b)</b> Economics - increase in the area of insurance &amp; retirement, \$7.7 million Gross, (\$3.2 million GF/GP).</p> <p><b>c)</b> The <b>Executive Budget Revision</b> removed economics included in the original proposal.</p> <p>The <b>Legislature</b> included items <b>a) - b)</b> above. The <b>House</b> initially recognized budgetary savings of \$924,800 (Gross) in this line, while the <b>Senate</b> initially did not recognize savings in this area. In conference however, the <b>Legislature</b> agreed to savings of \$3.3 million Gross (\$1.2 million GF/GP) in order to reach <i>Target Number</i>.</p> <p><b>Note:</b> Funding for Payroll Taxes and Fringe subsequently reduced by \$960,300 Gross GF/GP in Executive Order 2001- 9 (not reflected in change column amounts).</p> | 0.0                             | \$2,006,400 | \$5,033,800 |

| PART 1 LINE-ITEMS  | Changes from FY 2000-2001 Y-T-D |       |              |
|--|---------------------------------|-------|--------------|
|  | FTE                             | GF/GP | Gross        |
| <b>PUBLIC ASSISTANCE</b>   |                                 |       |              |
| <p><b>1. Family Independence Program</b><br/>The <b>Executive</b> recommended the following:</p> <p><b>a)</b> A 2,300 caseload increase for FY 2002 to a budget level of 65,700 cases, as compared to a FY 2001 budget level of 63,400 cases. Additionally, recommends an \$8.00 budgeted increase in the average monthly cost per case to a budget level of \$389 per month , as compared to a FY 2001 level of \$381 per month. The increase caseload is directly related to a softening economy which will more than likely result in fewer employment opportunities for FIP clients. The proposal to increase the estimated average monthly cost of benefits reflects recent expenditure trends. Net increase totals \$7.1 million (Gross), all of which is federal TANF funding.</p> <p><b>b)</b> A 2% cost-of-living increase for deferred Family Independence Program cases. Deferred cases include cases where care is being provided by extended family (Kinship Care) or where the parent cannot work due to disability, age or other crisis. Presently there are approximately 28,000 deferred cases and the proposed \$2.1 million increase will be funded with TANF dollars.</p> <p><b>Note</b> - Due to budget restraints, an Executive Budget Revision was subsequently issued removing the 2% cost-of-living increase for deferred Family Independence Program cases originally recommended in item <b>b)</b> above.</p> <p>The <b>Senate</b> concurred with the Executive's proposals in items <b>a)</b> and <b>b)</b> above and due to the timing of the Executive Budget Revision, did not have the opportunity to act on that recommendation. The <b>House</b> did not completely concur with the Executive's proposal in item <b>a)</b>. Instead, the House added \$20.1 million in TANF funding to cover 4,300 additional FIP cases, raising the proposed budgeted level to 70,000 cases. The House however, did agree with the Executive's proposed budgeted cost per case of \$389 per month. Finally, the House concurred with the original Executive recommendation for a cost-of-living increase in item <b>b)</b> above, but not with the Executive Budget Revision.</p> | 0.0                             | \$0   | \$54,386,400 |

| PART 1 LINE-ITEMS   | Changes from FY 2000-2001 Y-T-D |                 |             |
|---|---------------------------------|-----------------|-------------|
|   | FTE                             | GF/GP           | Gross       |
| <p><b><i>Family Independence Program (Cont'd)</i></b></p> <p>In <b>Conference</b>, agreement was reached to fund an average caseload level 75,000 cases at a projected cost per case of \$391, adding \$47.3 million TANF to the Executive's original recommendation. Also, due to the uncertainty surrounding future TANF funding, agreement was reached not to add funding for deferred cases in item b) above.</p> | <b>See</b>                      | <b>Previous</b> | <b>Page</b> |

| PART 1 LINE-ITEMS   | Changes from FY 2000-2001 Y-T-D |               |               |
|---|---------------------------------|---------------|---------------|
|   | FTE                             | GF/GP         | Gross         |
| <p><b>2. State Disability Assistance Payments</b></p> <p>The <b>Executive</b> proposed the following changes in this area:</p> <p><b>a)</b> Savings of \$929,300 as a result of lower projected SDA caseloads for FY 2002. Caseload level for FY 2002 is projected to be 6,700 cases which is down 300 cases from the FY 2001 budget level.</p> <p><b>b)</b> Savings of \$1.1 million related to the lowering of budgeted monthly amount per case to the \$244 level from a previous base amount of \$258. This lower budgeted level does not indicate a reduction in benefit level.</p> <p><b>c)</b> Adding \$400,000 for a 2% recipient grant increase, raising the average actual paid benefit levels to approximately \$236 per month.</p> <p><b>Note</b> - Due to budget restraints, an Executive Budget Revision was subsequently issued removing the 2% grant increase noted in item <b>c)</b> above.</p> <p>The <b>Senate</b> Concurred with the original Executive recommendations.</p> <p>The <b>House</b> in item <b>a)</b> recommended an additional 100 caseload reduction (to the 6,600 caseload level) as opposed to the Executive's proposed level of 6,700 cases. This resulted in a savings of \$310,000 to which the House added another \$90,000 in GF/GP funding, for a total of \$400,000 GF/GP. The House utilized this \$400,000 GF/GP to fund the 2% recipient grant increase in item <b>c)</b> above. The House concurred with the Executive in item <b>b)</b>.</p> <p>In <b>Conference</b>, agreement was reached in item <b>a)</b> above to fund this program at an average caseload level of 7,000 cases, using a projected monthly cost per case of \$233. The costs of this change just happens to be equal to the dollar value proposed by the Executive under a different scenario in <b>a)</b> above.</p> | 0.0                             | (\$2,065,300) | (\$2,065,300) |

| PART 1 LINE-ITEMS   | Changes from FY 2000-2001 Y-T-D |         |         |
|---|---------------------------------|---------|---------|
|   | FTE                             | GF/GP   | Gross   |
| <p><b>3. State Supplementation</b><br/> The <b>Executive</b> did not make a proposal in this area.</p> <p>The <b>Senate</b> as well made no proposals in this area.</p> <p>The <b>House</b> initially recognized savings of \$100,000 (GF/GP) within this line.</p> <p>In conference however, the <b>Legislature</b> agreed to make no changes from the previous fiscal year.</p> | 0.0                             | \$0     | \$0     |
| <p><b>4. State Supplementation Administration</b><br/> The <b>Executive</b> proposed recognition of a 2% salary economic increase plus an economic increase in the area of insurance &amp; retirement. The <b>Executive Budget Revision</b> removed economics included in the original proposal. The <b>Legislature</b> included the economic increase.</p>                       | 0.0                             | \$1,600 | \$1,600 |

| PART 1 LINE-ITEMS  | Changes from FY 2000-2001 Y-T-D |            |             |
|--|---------------------------------|------------|-------------|
|  | FTE                             | GF/GP      | Gross       |
| <p><b>5. State Emergency Relief</b><br/>The <b>Executive</b> recommended the following:</p> <p><b>a)</b> Transferring-out costs applicable to administrative responsibilities for HUD support Housing Program from this line into the Demonstration Projects line within the Executive Operations appropriations unit. Two FTE's will continue to be directly involved with the program and FIA will continue to receive reimbursement for the costs of wages from CareGivers (a non-profit organization specializing in low-income housing issues), total \$133,000 in federal funding.</p> <p><b>b)</b> Reducing federal funding in response to the transfer noted in a) above. That is, CareGiver (a non-profit organization) will now directly draw down federal funds for program related costs, thus relieving the department of this responsibility, total \$567,000 in federal funding.</p> <p><b>c)</b> A base increase for this line in order to cover expanding requests in the area of home repairs, emergency rent support and other support programs within SER, total \$1.2 million Gross, (\$1.1 million GF/GP).</p> <p>The <b>Senate</b> concurred with Executive on items <b>a) - c)</b> above and also recommended:</p> <p><b>d)</b> Adding an unspecified amount for a program funding increase in the area of indigent burials. A \$100 "Place Holder" was utilized for this purpose.</p> <p><b>e)</b> Adding an unspecified amount for a program funding increase in the area of Multicultural Assimilation. A \$100 "Place Holder" was utilized for this purpose.</p> <p>The <b>House</b> concurred with the Executive in items <b>a) - c)</b> above. However, the House did not concur with the Senate in item <b>d)</b> choosing instead not to increase funding for indigent burial. The House did add \$100,000 (in lieu of the \$100 Senate Place Holder) for Multicultural Assimilation program in item <b>e)</b>.</p> <p>The House also recommended the following.</p> <p><b>f)</b> Adding \$2.0 million in TANF to increase the emergency shelter per diem rate to \$15 from the present level of \$13 per night.</p> | (2.0)                           | (\$41,000) | (\$371,000) |



| PART 1 LINE-ITEMS   | Changes from FY 2000-2001 Y-T-D |          |       |
|---|---------------------------------|----------|-------|
|   | FTE                             | GF/GP    | Gross |
| <p><b>State Emergency Relief (Cont'd)</b></p> <p>In <b>Conference</b>, the following decisions were made in the areas still unresolved, for item:</p> <p><b>d)</b> In order to reach Target Number, recognized cost saving of \$1.2 million GF/GP by reducing the payment amount for Indigent Burial from \$1,460 per burial to \$1,160 per burial.</p> <p><b>e)</b> Agreed to add \$100,000 (GF/GP) for employment training services within the multicultural assimilation program.</p> <p><b>f)</b> Agreed to add \$250,000 (TANF) for bed expansion, as opposed to adding funds for a per diem increase as originally proposed.</p> <p><b>Note 1:</b> The Governor <b>vetoed</b> the additional \$100,000 (GF/GP) in training funds for multicultural assimilation programs noted in item <b>e)</b> above.</p> <p><b>Note 2:</b> The FY 2001-02 supplemental (2001 PA 120), added \$610,500 GF/GP in the area of indigent burial to lessen the reduction noted in <b>d)</b> above. The funding brought the level to \$1,310 per burial. A Budgetary Savings unit was created to fund this adjustment. This Budgetary Savings unit requires the department to find internal savings to funds this adjustment, thus creating no net fiscal impact.</p> <p><b>Note 3:</b> Executive Order (EO) 2001-9 reduced funding in the area of indigent burial by \$1.1 million GF/GP, lowering the per burial payment rate to \$1,114. EO 2001-9 also reduced funding by three-quarters (3/4) in the areas of multicultural contracts (\$1.2 million GF/GP) and emergency services supplied by the Community Action Agencies (\$1.5 million GF/GP). Finally, the EO reduced funding by \$255,000 GF/GP in the area of non-energy related home repairs.</p> <p><b>Note 4:</b> Amounts contained in the Governor's veto, supplemental bill and executive order are not reflected in change column amounts.</p> | See                             | Previous | Page  |

| PART 1 LINE-ITEMS   | Changes from FY 2000-2001 Y-T-D |       |                |
|---|---------------------------------|-------|----------------|
|   | FTE                             | GF/GP | Gross          |
| <p><b>6. Food Stamp Program Benefits</b><br/> The <b>Executive</b> recommended the following:<br/> <b>a)</b> Funding to cover a 2,100 caseload increase for FY 2002 to a budget level of 239,600 cases, as compared to a FY 2001 budget level of 237,500 cases, total costs \$3.8 million in federal funding.<br/><br/> <b>b)</b> Recommends a decreased budgeted cost per household for FY 2002 to a level of \$152 per household, as compared to a FY 2001 budget level of \$159 per household, total savings \$22.0 million in federal funding.<br/><br/> The <b>Legislature</b> concurred with the Executive's recommendation.<br/><br/> <b>Note:</b> The FY 2001-02 supplemental (2001 PA 120), added \$197.8 million (Federal) in order to fully fund anticipated participation in the federal food stamp program. Program outreach and the slowing economy has increased participation in the federal food stamp program dramatically. Supplemental amount not reflected in change column amounts.</p> | 0.0                             | \$0   | (\$18,200,500) |
| <p><b>7. Low Income Energy Assistance Program</b><br/> The <b>Executive</b> recommended the following:<br/> <b>a)</b> Recognition of projected federal LIHEAP award increase. LIHEAP awards are received from Health and Human Services and the allocation to the states is generally not finalized until well after the state of Michigan's budget deliberations have been completed. Here, the Executive is anticipating an increased allocation to Michigan of \$7.0 million in federal funding.<br/><br/> <b>b)</b> Economics - 2% for salaries, and insurance &amp; retirement, totaling \$21,800 (federal).<br/><br/> The <b>Legislature</b> concurred with the Executive's recommendation.</p>   | 0.0                             | \$0   | \$7,021,800    |
| <p><b>8. Weatherization Assistance</b><br/> No Change.</p>  | 0.0                             | \$0   | \$0            |
| <p><b>9. Traditional Work Support</b><br/> No Change.</p>   | 0.0                             | \$0   | \$0            |
| <p><b>10. Homestead Property Tax Credit for Low Income Families</b><br/> No Change.</p>   | 0.0                             | \$0   | \$0            |

| PART 1 LINE-ITEMS  | Changes from FY 2000-2001 Y-T-D |                |                |
|--|---------------------------------|----------------|----------------|
|  | FTE                             | GF/GP          | Gross          |
| <p><b>11. Day Care Services</b><br/> The <b>Executive</b> proposed the following action:</p> <p><b>a)</b> Increase in this area due to projected growth in caseload spending for a projected average annual caseload of 75,440 at an average monthly cost per case of \$541, \$24.0 million Gross (\$0 GF/GP).<br/> <i>Note #1 - Average caseload for the 1st 6 months of FY 2001 was 66,200 at an average monthly cost per case of \$515.</i></p> <p><b>b)</b> Removal of \$9.1 million in one-time TANF funding added to the line item in FY 2001 to increase access to quality child day care.</p> <p><b>c)</b> Decrease in authority for rate increase to child day care providers caring for children 0 - 2 ½ years of age to expected FY 2001 spending level, \$8.7 million Gross (\$0 GF/GP). \$8.0 million of the original \$16.7 million remaining for infant/toddler incentive payments.</p> <p><b>d)</b> Decrease in authority for the Before- and After-School program from \$16.0 million to \$10.0 million, \$6.0 million Gross (\$0 GF/GP). Expected spending level for the program in FY 2001 is between \$10.0 - \$13.0 million.</p> <p><b>e)</b> Shift funding authority by transferring-out GF/GP to the Child Care Fund line item and transferring-in an equal amount of TANF from the account, \$0 Gross (\$8.5 million GF/GP).</p> <p>The <b>House</b> proposed adding \$2.0 million in TANF to provide a 10 cent rate increase to child day care providers serving children over 2 ½ in shelter area IV, and recommended adding \$2.5 million in TANF to expand the eligibility scale to include families with incomes up to 200% of poverty. Neither of these proposals were included in <b>Conference</b>.</p> <p>The <b>Legislature</b> concurred with items <b>b) - e)</b> above, but agreed to fund an average caseload level 69,700 cases at a projected monthly cost per case of \$528 instead of the level funded in <b>a)</b> above, saving \$31.8 Gross (\$0 GF/GP). Also agreed to funding shift saving \$14.2 million GF/GP by increasing child day care TANF spending by \$32.5 million and using \$18.3 million less in federal matching Child Care Development Funds.</p> <p><b>Note:</b> \$100,000 (Federal) for the "Ready to Succeed Dialogue" subsequently <b>vetoed</b> by the Governor (not reflected in change column amounts).</p> | 0.0                             | (\$22,653,000) | (\$55,675,800) |

## PART 2 BOILERPLATE ITEMS

### GENERAL SECTIONS

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**Sec. 201. State Spending to Local Units**

Specifies the amount of state spending paid to local units of government.

**Sec. 202. Appropriations Subject to DMB ACT**

Makes FIA appropriations subject to the Department of Management and Budget (DMB) Act.

**Sec. 203. Acronyms**

Defines acronyms used in the FIA Budget.

**Sec. 204. 1% Civil Services Charge**

Requires the 1% charge billed to the Department by the Civil Service Commission to be paid by the end of the second fiscal quarter.

**Sec. 205. Hiring Freeze**

Sets out details of a hiring freeze on state classified civil service employees, provides exceptions to the hiring freeze only with the State Budget Director's approval and requires a monthly report on the number of exceptions.

**Sec. 206. Contingency Funds**

Enables the Department to receive additional federal, local, private, and state restricted contingency funds, but prohibits expenditure unless transferred to a line item in the act.

**Sec. 207. Privatization Plan Requirement**

Requires the Department, before beginning any effort to privatize, to submit a project plan and evaluation (New, Fiscal Year 1999).

**Sec. 208. Internet Reporting**

Requires the Department to continue to pilot use of the Internet to fulfill reporting requirements and requires the provision of lists of reports already submitted or to be submitted to the Internet or Intranet. (New, Fiscal Year 2000).

**Sec. 209. American Goods/Services Purchase Requirement**

Requires that funds be used to purchase American made goods and/or services if competitively priced and of comparable quality.

**Sec. 210. Contracting with Businesses in Depressed and Deprived Areas**

Encourages departments to contract with businesses in depressed and deprived areas.

**Sec. 211. Disaster Assistance Funds**

Authorizes FIA to receive and expend funds from the Department of State Police for disaster assistance.

**Sec. 212. Write-Offs and Prior Year Obligations**

Allows the use of prior year revenues, or current year revenues in excess of the authorized amount, to write off receivables, deferrals, and prior year obligations.

**Sec. 213. Food Stamp Over issuance Collections**

Authorizes FIA to retain food stamp over issuance collections to offset GF/GP costs.

**Sec. 214. Field Service Allocation Detail**

Requires the Department to report the details of allocations within program budgeting line items and within salary and wage line items in the field services appropriation unit. Further requires a bimonthly report on FTEs by pay status.

## PART 2 BOILERPLATE ITEMS

### **Sec. 215. Notification - Legislative Objectives Conflict with Federal Regulation**

Requires the Department to provide notice if a legislative objective in the budget or P.A. 280 cannot be implemented without loss of federal funds due to conflict with federal regulations.

### **Sec. 217. Report Retention**

Requires departments and state agencies receiving appropriations under the act to receive and retain copies of all reports funded from appropriations in part 1 according to federal and state guidelines (New, Fiscal Year 1998).

### **Sec. 218. TANF and TANF MOE Reporting**

Requires a semi-annual report on TANF projected expenditures, carry forward, and interdepartmental or interagency fund transfers, as well as notification of proposed changes in TANF utilization or distribution or TANF MOE (New, Fiscal Year 1998).

### **Sec. 219. Veterans Assistance**

Requires the FIA's quality assurance reporting to include veterans status (New, Fiscal Year 1998).

### **Sec. 220. Faith-based Contracts**

Places restrictions on FIA contracts with faith-based organizations. Requires FIA to provide non-sectarian services for clients who object to sectarian-provided services. Further requires the FIA to cooperate with faith-based organizations so they can compete for contracts on the same basis as other private contractors and requires the FIA to follow federal PRWORA faith-based involvement related guidelines (New, Fiscal Year 1998).

### **Sec. 221. Collected Revenue Carry-Forward**

Gives authority to carry forward local and private revenues in excess of appropriations (New, Fiscal Year 1999).

### **Sec. 222. Internal Auditor Report**

Requires the Department to provide a report on activities of the internal auditor for the prior fiscal year (New, Fiscal Year 2000).

### **Sec. 223. Medicaid Determination Requirements**

Requires the Department to determine Medicaid eligibility within 60 days when disability is an eligibility factor, and within 45 days for all other applicants (New, Fiscal Year 2001).

### **Sec. 224. Non-Traditional Business Hours**

Expresses legislative intent for the Department to provide services at local department offices during nontraditional business hours (**NEW, Fiscal Year 2002**).

### **Sec. 225. Contractor Negotiations and Payment**

Expresses legislative intent regarding Department promptness standards for completion of contractual negotiations, notification of funding availability, and payment for allowable provider expenditures (**NEW, Fiscal Year 2002**).

### **Sec. 226. Budgetary Savings**

Prohibits spending for Baltimore Street lease (within the city of Detroit) and allows for up to 3% for FIP administration related to budgetary savings (**NEW, Fiscal Year 2002**).

### **Sec. 227. Fund Source Realignment Authority**

Provides the State Budget Director with authorization to realign sources of financing in order to maximize TANF maintenance-of-effort (MOE) countable expenditures (**NEW, Fiscal Year 2002**).

## PART 2 BOILERPLATE ITEMS

### EXECUTIVE OPERATIONS

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**Sec. 301. Debit Card Use and Monitoring**

Permits the use of debit cards to distribute cash assistance and requires a report detailing a proposal to ensure that clothing allowance funds are used to purchase school clothes.

**Sec. 302. Commission for the Blind Tuition Payments**

Allows the Commission for the Blind to use case services funds to pay for tuition payments for blind clients for the school year starting September 2001.

**Sec. 303. Commission Per Diem Payments**

Allows the Commission for the Blind to reimburse commission and board members for official full-day meetings at the per diem rate of \$50.

### FAMILY INDEPENDENCE SERVICES ADMINISTRATION

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**Sec. 401. Child Support Incentive Payments and Enforcement System Requirements**

Allows the Department to retain a portion of federal child support incentive payments and expend them for various child support collection efforts. States that a county shall not be required to pay a penalty if a written agreement is in place, all parties are cooperating with the established work plan, and the prosecuting attorney office cooperates with implementation of the legal module. In addition, requires the Department to provide quarterly reports on progress in reaching CSES certification and anticipated penalties, and allows the Department to retain and use incentive payment revenues withheld from counties pursuant to imposition of penalties. **Subsequently amended in Executive Order 2001- 9 to allow the State to retain \$10.4 million in federal child support incentive payments.**

**Sec. 403. Community Services Block Grant Plan**

Requires submission of the Community Services Block Grant plan to the House and Senate Appropriations Subcommittees on the Family Independence Agency by September 30.

**Sec. 404. Community Services Block Grant Distribution Plan - Tribal Organizations**

Requires FIA to develop and submit a plan based on recommendations from the Department of Civil Rights and Indian organizations to assure that Community Services Block Grant funds are equitably distributed.

**Sec. 405. Prohibits GF/GP Distribution to Wayne County 3rd Circuit Court**

States that the Wayne Co. 3rd Circuit Court cooperative reimbursement contract funding resides in the Judiciary Budget and that no GF/GP from the FIA budget may be used to fund this contract (New, Fiscal Year 1998).

**Sec. 407. Created for Caring**

Requires the Department to contract with Created for Caring (New, Fiscal Year 1999 ... Vetoed by Governor, Fiscal Year 2001).

**Sec. 412. Title IV-D Replacement Authorization**

Allows the State Budget Director to adjust sources of financing in the legal support contracts line item by replacing federal Title IV-D authorization with GF/GP as needed due to required reporting of escheated child support collections as Title IV-D program income (New, Fiscal Year 2001).

**Sec. 413. Field Investigation & Home Visit Policy**

Requires training for Department employees performing field investigations or home visits and requires employees to complete investigations with another trained Department employee or law enforcement officer in cases with documented risk (New, Fiscal Year 2001).

## PART 2 BOILERPLATE ITEMS

### **Sec. 414. Community Action Agency TANF Allocation**

Identifies \$3 million in TANF authorized for Community Action Agencies and requires agencies to report data needed to receive TANF funds (New, Fiscal Year 2001).

### **Sec. 415. Fatherhood Initiative**

Requires the Department to spend up to \$1.0 million in TANF to fund a fatherhood initiative (Fiscal Year 2001 vetoed by the Governor - **NEW, Fiscal Year 2002**).

### **Sec. 416. Marriage Initiative**

Allows the Department to spend up to \$250,000 in TANF to fund a marriage initiative using licensed providers (**NEW, Fiscal Year 2002**).

### **Sec. 417. Innovation Grants**

Allows the Department to spend up to \$250,000 in TANF to fund innovation grants and allows the department to spend up to \$1.0 million in TANF for employment and training support services in support of a youth learning innovations training center designed to enhance technical literacy (**NEW, Fiscal Year 2002**).

## CHILD AND FAMILY SERVICES

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### **Sec. 501. Foster Care Age and Time Limit Goals**

Establishes a goal to limit the number of children in foster care longer than 24 months and gives priority to reducing the number of children under age 1 in foster care.

### **Sec. 502. Indian Tribal Government Foster Care Reimbursement**

Requires reimbursement to Indian Tribal governments for 50% of foster care expenditures.

### **Sec. 503. Adoption Subsidy Payment Continuance**

Allows for continuance of adoption subsidy payments after the eighteenth birthday under certain criteria.

### **Sec. 504. Appropriation Deducts - Foster Care Private Collections**

Allows the Department to satisfy appropriation deducts with excess revenue collections.

### **Sec. 506. Multi-Year Contracts**

Requires the Department to enter into multi-year child welfare and juvenile justice services contracts, and specifies contract award criteria.

### **Sec. 508. Authorizes Additional CTF Funds and Joint Projects**

Appropriates gifts and donations to the Children's Trust Fund and authorizes the Child Abuse and Neglect Prevention Board to initiate joint projects with other state agencies.

### **Sec. 509. Family Reunification Funding Requirement**

Prohibits the use of funds to reunite or preserve families that would result in the child living with a parent or other adult convicted of criminal sexual conduct with limited exceptions. Allows the FIA to provide counseling or other services for these families as long as the services are not directed at reunification.

### **Sec. 510. Limited Competitive Bid Exemption**

Waives requirement for competitive bids on service contracts if only 1 provider exists in the area.

### **Sec. 512. Foster Parent Pilot Projects**

Authorizes \$1.5 million for the Department to develop pilots for foster parent recruitment, retention, and training (New, Fiscal Year 1999).

## PART 2 BOILERPLATE ITEMS

### **Sec. 513. Delinquents - Out-of-State Facilities**

Places restrictions on the placement of delinquents in out-of-state facilities including the need for these facilities to meet Michigan licensing standards (New, Fiscal Year 1999).

### **Sec. 514. Child Protective Services Report**

Requires the Department to make a comprehensive report on child protective services to the legislature by 1/1/2002 and states some of the information and statistics to be included in the report (New, Fiscal Year 1999).

### **Sec. 515. Child Welfare Managed Care Demonstration Project**

Allows the Department to implement the Title IV-E child welfare waiver managed care demonstration project using foster care funds (New, Fiscal Year 1999).

### **Sec. 516. Special Needs Adoptions Report**

Requires the Department to prepare a report on special needs adoptions (New, Fiscal Year 2000).

### **Sec. 517. Child Abuse and Neglect Prevention Programs**

Authorizes allocation of funds to local collaboratives for neglect and abuse prevention programs (New, Fiscal Year 1998).

### **Sec. 518. Strong Families/Safe Children Funding**

Expresses legislative intent that funds appropriated for Family Preservation and Prevention Services be used to maintain local Strong Families/Safe Children allocations at the level in effect on April 1, 1997 (before being cut). Local multipurpose collaboratives body are required to report program usage, goals and effectiveness (New, Fiscal Year 1998).

### **Sec. 519. Foster Care and Adoption Subsidies Rate Increase**

Requires the Department to provide a 12 month 1% increase for foster care and adoption subsidies parents. **Subsequently repealed and replaced with date change in Sec. 231 of 2001 PA 120.**

### **Sec. 520. Kinship Care - Benefit Discrepancy Reduction**

Identifies the legislative intent to reduce the benefit discrepancy between a kinship care case and a similar family size family independence program (FIP) case (New, Fiscal Year 2001).

### **Sec. 523. Child and Family Services Programs Reporting Requirements**

Requires Child and Family Services programs listed to report data elements to receive TANF funds (New, Fiscal Year 2001).

### **Sec. 524. Prevention Services Report**

Requires the Department to submit quarterly reports on the status of the prevention services program (NEW, Fiscal Year 2002).

### **Sec. 529. Child Welfare Worker Turnover Evaluation**

Requires the Department to analyze Michigan child welfare worker staff turnover and compare to national level data (NEW, Fiscal Year 2002).

### **Sec. 530. Foster Parent Recruitment and Retention**

Requires the Department to implement foster parent recruitment and retention programs that draw from a number of models, including One Church One Child (NEW, Fiscal Year 2002).

## **PUBLIC ASSISTANCE**

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## PART 2 BOILERPLATE ITEMS

### **Sec. 601. Shelter Vendor Payments**

Authorizes termination of shelter vendor payments if the rental unit is not in compliance with local housing codes, or when the landlord is delinquent on property taxes. Also requires landlord cooperation with weatherization and conservation efforts.

### **Sec. 602. FIP Special Needs Shelter Payment Levels**

Allows the Department to develop special needs shelter payment levels for FIP recipients to support the development of transitional shelter facilities for homeless families.

### **Sec. 603. Energy Provider Agreements and Standard Utility Allowance Adjustments**

Allows the Department to make direct payments to energy providers, establishes energy caps for LIEAP, requires extended payment plans with utility companies, and expresses legislative intent that the Department review and adjust the state food stamp standard utility allowance based on current energy costs.

### **Sec. 604. State Disability Assistance (SDA) Program**

Establishes requirements for the State Disability Assistance (SDA) program.

### **Sec. 605. SDA Reimbursement**

Requires payments for SDA recipients in adult foster care facilities to be the same as the SSI rate for personal care.

### **Sec. 606. Retroactive SDA Recipient Payment**

Requires SDA recipients who apply for SSI to sign agreements to repay the FIA upon receipt of retroactive SSI payments.

### **Sec. 607. Appropriation Deductions - Recovery and Recoupment Revenues**

Allows all public assistance recoveries and recoupment revenues received to be used to satisfy deducts.

### **Sec. 608. Adult Foster Care Facility Payment Limits**

Prohibits adult foster care facilities and homes for the aged from requiring payments by SSI recipients above legislatively authorized rates.

### **Sec. 609. SSI State Supplementation**

Prohibits reduction of the SSI state supplementation for recipients in institutional settings during FY 2002.

### **Sec. 610. State Emergency Relief Exemption**

Requires consideration of expenses for finding employment as good cause for persons applying for SER assistance.

### **Sec. 611. Indigent Burial - Additional Payments**

Prohibits the Department from requiring state indigent burial payments to be accepted as payment in full, and allows providers to collect additional payment up to \$2,600. **Subsequently repealed and replaced with payment level up to \$2,450 in Sec. 234 of 2001 PA 120.**

### **Sec. 612. State Emergency Relief Housing Affordability Eligibility**

Establishes a housing affordability standard under the SER program of 75% of total net income.

### **Sec. 613. Indigent Burial Charge Limit**

Establishes a maximum allowable charge limit for indigent burials. **Subsequently repealed and replaced with charge limit adjustment to \$1,310 in Sec. 233 of 2001 PA 120, and then amended in Executive Order 2001- 9 with charge limit adjustment to \$1,114.**

## PART 2 BOILERPLATE ITEMS

**Sec. 614. 10 Day Burial Billing Requirement**

Allows providers of indigent burial services to bill the Department within 10 days of the burial or cremation (New, Fiscal Year 1999).

**Sec. 615. Illegal Alien Public Assistance Prohibition**

Prohibits provision of public assistance to illegal aliens except homeless shelter and food bank services.

**Sec. 616. Weatherization Program**

Requires 25% of households served by the Weatherization Program to be FIP, SDA, Food Stamp, or SSI recipients, and allows unencumbered program balances to be carried forward to FY 2003.

**Sec. 617. FIP Minor Parent Household Restriction**

Prohibits minor parents on public assistance from living in an arrangement where their sexual partner is the supervising adult.

**Sec. 618. Assistance Adjustment Notification**

Requires the Department to provide 10 days' notice prior to reducing, terminating, or suspending assistance provided under the Social Welfare Act (Fiscal Year 1999 Vetoed By Governor - New, Fiscal Year 2000).

**Sec. 619. Title IV-A Assistance and Food Stamp Benefit Exemption**

Exempts individuals convicted of a drug felony after 8/22/96 from the federal prohibition on receiving Title IV-A and food stamp benefits; however, benefits must be paid to a third party (New, Fiscal Year 1998).

**Sec. 620. Program Eligibility Notification**

Ensures that clients are informed in writing of programs for which they may be eligible upon leaving assistance. Allows clients to request an exit interview (New, Fiscal Year 1999).

**Sec. 621. Multicultural Support Services Funding Distribution**

Allows use of funds to support multicultural assimilation and support services based on assessed community needs. **Subsequently repealed in Executive Order 2001- 9.**

**Sec. 624. Individual Development Accounts (IDA) Plan**

Requires the FIA to maintain a plan to provide for the establishment of Individual Development Accounts (New, Fiscal Year 1998).

**Sec. 625. IDAs in Community Development Credit Unions**

Requires the Department to continue the work of implementing Individual Development Account programs in Community Development Credit Unions (New, Fiscal Year 1999).

**Sec. 626. Child Day Care Provider Training**

Requires the Department to fund child day care provider training programs (New, Fiscal Year 1998).

**Sec. 627. EQUIP Grants**

Requires the Department to contract to provide Enhance Quality Improvement Program (EQUIP) grants (New, Fiscal Year 1999).

**Sec. 628. Ready to Succeed Dialogue**

Allows up to \$100,000 to be used to leverage additional public and private funds to continue the "Ready to Succeed Dialogue with Michigan" on child care and early education, and requires the submission of a report (New, Fiscal Year 1999 ... **Fiscal Year 2002 VETOED BY GOVERNOR.**)

## PART 2 BOILERPLATE ITEMS

### **Sec. 629. Multicultural Organization Career Training**

Requires that up to \$100,000 in TANF be utilized to contract with multicultural organizations for creation of career training programs (**NEW, Fiscal Year 2002 ... VETOED BY GOVERNOR**).

### **Sec. 630. Training/Education Guidelines**

Requires the Department and the DCD to refine and make available clear joint guidelines on the eligibility of Work First participants for post-employment training support and on how training and education hours can be applied toward federal work requirements, and provide progress report (New, Fiscal Year 2000).

### **Sec. 631. Domestic Violence Victim Support Policy**

Requires FIA to maintain policies to identify victims of domestic violence as they enter the system, refer these clients to counseling, and waive FIP requirements for these clients under certain circumstances (New, Fiscal Year 1998).

### **Sec. 632. Food Stamp Allotment**

Requires the Department to calculate the food stamp allotment for applicants who are United States citizens and who live in a household with legal immigrants in a manner that maximizes food stamps available to these United States citizens under federal law (New, Fiscal Year 1999).

### **Sec. 634. Parenting Skills and Career Development Pilot**

Requires the Department to expend up to \$250,000 to develop and fund a parenting skills and career development pilot program for single parents eligible for cash assistance having children up to 3 years old (New, Fiscal Year 2000).

### **Sec. 635. Child Day Care Provider Central Registry Notification**

Requires the Department, within 6 business days of receiving all information necessary to process an application for payments for child day care, to determine whether the child day care provider is listed on the Child Abuse and Neglect Central Registry. If the provider is listed on the Central Registry, the Department shall immediately send written notice denying the applicant's request for child day care payments (New, Fiscal Year 2000).

### **Sec. 636. Late Child Day Care Payment Report**

Requires the Department to submit a report on late payments to child day care providers for the year of 2001 (New, Fiscal Year 2000).

### **Sec. 640. Child Day Care Provider Payments**

Requires the Department to provide infant and toddler incentive payments to child day care providers caring for children 0 - 2 ½ years of age who meet licensing or training requirements (New, Fiscal Year 2001).

### **Sec. 643. Homeless Shelter Increase**

Requires the Department to expand emergency shelter bed capacity and requires the shelter programs to report data elements needed to receive TANF funds (New, Fiscal Year 2001).

### **Sec. 644. Home Repairs Lifetime Limit**

Requires the Department to increase the lifetime limit for non-energy-related home repairs to \$1,750 (New, Fiscal Year 2001). **Subsequently repealed in Executive Order 2001- 9.**

### **Sec. 645. State Emergency Relief Domestic Violence Homeless Criteria**

Allows individuals living with others to escape domestic violence to be defined as homeless for the purposes of SER (New, Fiscal Year 2001).

## PART 2 BOILERPLATE ITEMS

**Sec. 646. Homestead Property Tax Credit TANF Limit**

Requires that TANF not be used to fund more than \$27 million of the Homestead Property Tax Credit (New, Fiscal Year 2001).

**Sec. 648. Beyond Federal Five-Year Limit**

Requires the Department to continue to make assistance payments to eligible recipients beyond the federal 5-year limit (New, Fiscal Year 2001).

**Sec. 653. Domestic Violence Exemption - Food Stamp Requirements**

Exempts an individual who is the victim of domestic violence for up to an additional 3 months from the 3-month in 36 month limit on receiving foods stamps (New, Fiscal Year 2001).

**Sec. 654. Leaving Newborns Public Service Information**

Requires the Department to expend funds to provide public service information regarding procedures for individuals to leave newborns at emergency service providers based on Safe Delivery Act (New, Fiscal Year 2001).

**Sec. 657. Before- or After-School Program**

Requires the Department to continue to offer a before- or after-school program pilot for school-aged children and provide a report on the pilot (New, Fiscal Year 2001).

**Sec. 659. Child Care Verification**

Requires FIP recipients with a child under 6 years old to meet work first participation requirements unless worker verifies child care is not available (New, Fiscal Year 2001).

**Sec. 660. Food Bank Council TANF Reporting**

Requires the Food Bank Council to report data elements needed to receive TANF funds (New, Fiscal Year 2001).

**Sec. 661. Transitional Work Support Program**

Requires the Department to expend up to \$15 million to fund a Transitional Work Support Program and to provide a report (New, Fiscal Year 2001).

**Sec. 662. Barriers to Achieving Self-Sufficiency Report**

Requires the Department to report on current or new initiatives aimed at removing barriers to achieving self-sufficiency (**NEW, Fiscal Year 2002**).

**Sec. 664. Day Care Inspection Positions**

Expresses legislative intent that the Department work with the Department of Consumer and Industry Services to obtain federal funds for day care inspection positions (**NEW, Fiscal Year 2002**).

**Sec. 665. Public Transit**

Requires the Department to continue to partner with the Department of Transportation to use TANF and other sources to support public transportation needs of TANF eligible individuals (**NEW, Fiscal Year 2002**).

**Sec. 666. Federal Earned Income Tax Credit Participation**

Requires the Department to develop and implement a plan to increase FIP recipient participation in the federal Earned Income Tax Credit (**NEW, Fiscal Year 2002**).

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## JUVENILE JUSTICE SERVICES

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## PART 2 BOILERPLATE ITEMS

### **Sec. 701. Juvenile Accountability Incentive Block Grant Distribution**

Allocates a portion of the federal Juvenile Accountability Incentive Block Grant to support the boot camp program and identifies funding priorities for the remainder of the grant (New, Fiscal Year 1999).

### **Sec. 702. Juvenile Justice Facility Expansion**

Requires that expansion of facilities funded under the Juvenile Justice Services unit comply with due notice of the open meetings act (New, Fiscal Year 1999).

### **Sec. 703. Maximum Security Facility Requirement**

Prohibits a juvenile placed in a state operated maximum security delinquency facility to leave the facility except under limited circumstances (New, Fiscal Year 1999).

### **Sec. 704. Juvenile Justice Facility Location**

Prohibits new delinquency facilities from being located within 1,500 feet of property in use for a K-12 educational program (New, Fiscal Year 1999).

### **Sec. 705. W. J. Maxey Reporting Requirement**

Requires the Department to provide an annual report on the W. J. Maxey facility, and outlines required assessment and treatment issues (New, Fiscal Year 2001).

### **Sec. 706. Alternative Regional Detention Services County Charge Back**

Requires a county charge back for 50% of the costs of alternative regional detention services in certain circumstances.

### **Sec. 707. Child Care Fund Reimbursement Reporting Requirements**

Places reporting requirements on counties seeking Child Care Fund reimbursement, so the FIA can document TANF-eligible expenditures (New, Fiscal Year 1999).

### **Sec. 708. School Aid Funding for Juvenile Justice Education**

Expresses legislative intent that the Department work with the Department of Education to explore a procedure to secure funding through School Aid to educate juveniles in state-operated detention or treatment facilities (**NEW, Fiscal Year 2002**).

### **Sec. 709. Child Care Fund Spending Plan**

Requires counties to have approved service spending plans for FY 2001-02 by 2/15/02 as a condition of receiving Child Care Funds (**NEW, Fiscal Year 2002**).

### **Sec. 710. County Juvenile Justice Day Treatment**

Requires the Department to continue contracts for county juvenile justice day treatment programs (**NEW, Fiscal Year 2002**). **Subsequently amended in Executive Order 2001- 9 to allow, instead of require, the Department to continue contracts.**

### **Sec. 712. Auditor General Report Response**

Requires the Department to provide a report within 30 days after receiving an Auditor General report indicating Department noncompliance with state or federal law, rule or regulation (**NEW, Fiscal Year 2002**).

## **DISABILITY DETERMINATION SERVICES**

### **Sec. 801. Retirement Disability Determination Agreement**

Requires FIA to provide retirement disability determination services for state employees, state police, judges, and school teachers as specified in an agreement between FIA and DMB (New, Fiscal Year 2001).

**PART 2 BOILERPLATE ITEMS**