


# FINAL LEGISLATIVE TRANSFER PACKAGE

|  |  |  |
|--|--|--|
|  <p>Mary Ann Cleary, Director<br/>Viola Bay Wild, Transfer Coordinator<br/>Compiled by Tumai Burris, Budget Assistant</p> | <p><b>Summary Sheet</b></p> <p>SBO LETTERS: 2016-9 and 2016-10<br/>October 31, 2016<br/>November 3, 2016</p> |  |
|--|--|--|

| Department                    | Analyst                                  | Page  | Total Transfer       |
|-------------------------------|--|-------|----------------------|
| Corrections                   | Robin Risko                              | 1-4   | \$9,250,000          |
| Education                     | Samuel Christensen                       | 5     | 800,000              |
| Health and Human Services     | Sue Frey<br>Kevin Koorstra<br>Viola Wild | 6-14  | 95,873,200           |
| Military and Veterans Affairs | Kent Dell                                | 15-18 | 554,800              |
| School Aid                    | Bethany Wicksall<br>Samuel Christensen   | 19-20 | 3,500,000            |
| Treasury – Revenue Sharing    | Ben Gielczyk                             | 21    | 88,064               |
| <b>Total</b>                  |  |       | <b>\$110,066,064</b> |

**FY 2015-16 Legislative Transfers: Requests 2016-9 and 2016-10**

| <b>Budget</b>              | <b>Year-to-Date<br/>Total Approps</b> | <b>Standard Transfers (Within Existing Budget)</b> |                     |              |                |                    |                     | <b>TOTAL</b>        | <b>% of Budget<br/>Shifted</b> |
|----------------------------|---------------------------------------|--|---------------------|--------------|----------------|--------------------|---------------------|---------------------|--------------------------------|
|                            |                                       | <b>IDG</b>   | <b>Federal</b>      | <b>Local</b> | <b>Private</b> | <b>Restricted</b>  | <b>GF/GP</b>        |                     |                                |
| Corrections                | 1,975,907,300                         |  |                     |              |                |                    | 9,250,000           | 9,250,000           | 0.47%                          |
| Education                  | 335,661,200                           |  | 800,000             |              |                |                    |                     | 800,000             | 0.24%                          |
| Health and Human Services  | 24,885,744,500                        |  | 69,000,000          |              |                |                    | 15,345,200          | 84,345,200          | 0.34%                          |
| School Aid                 | 13,736,308,500                        |  |                     |              |                | 3,500,000          |                     | 3,500,000           | 0.03%                          |
| Treasury - Revenue Sharing | 1,252,406,100                         |  |                     |              |                | 88,064             |                     | 88,064              | 0.01%                          |
| <b>TOTAL*</b>              | <b>\$54,411,320,700</b>               | <b>\$0</b>   | <b>\$69,800,000</b> | <b>\$0</b>   | <b>\$0</b>     | <b>\$3,588,064</b> | <b>\$24,595,200</b> | <b>\$97,983,264</b> | <b>0.18%</b>                   |

\*Includes budget areas not affected by transfers

| <b>Budget</b>                 | <b>Year-to-Date<br/>Total Approps</b> | <b>Contingency Fund Transfers (Increases Budget)</b> |                  |                  |                |                   |              | <b>TOTAL</b>      | <b>% Budget<br/>Increased</b> |
|-------------------------------|---------------------------------------|--|------------------|------------------|----------------|-------------------|--------------|-------------------|-------------------------------|
|                               |                                       | <b>IDG</b>   | <b>Federal</b>   | <b>Local</b>     | <b>Private</b> | <b>Restricted</b> | <b>GF/GP</b> |                   |                               |
| Health and Human Services     | 24,885,744,500                        |  | 6,820,000        | 4,560,000        |                | 148,000           |              | 11,528,000        | 0.05%                         |
| Military and Veterans Affairs | 180,400,600                           |  | 502,000          |                  |                | 52,800            |              | 554,800           | 0.31%                         |
| <b>TOTAL*</b>                 | <b>54,411,320,700</b>                 | <b>0</b>   | <b>7,322,000</b> | <b>4,560,000</b> | <b>0</b>       | <b>200,800</b>    | <b>0</b>     | <b>12,082,800</b> | <b>0.02%</b>                  |

\*Includes budget areas not affected by transfers

## LEGISLATIVE TRANSFER

BUDGET AREA: **CORRECTIONS**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$5,105,000**

S.B.O. LETTER: **10/31/16**  
 S.B.O. REQUEST: **2016-9**  
 ANALYST: **Robin Risko**

| TRANSFER ITEMS  | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 10/28/16 | BALANCE<br>AVAILABLE<br>AS OF 10/28/16 | GOV'S<br>REC.<br>10/31/16 | HOUSE<br>ACTION<br>11/9/16 | SENATE<br>ACTION<br>11/9/16 |
|---|----------------|---|--|---------------------------|----------------------------|-----------------------------|
| <b>FROM: SEC. 104. BUDGET AND OPERATIONS<br/>ADMINISTRATION</b> |                |   |  |                           |                            |                             |
| Worker's compensation   | 14,149,000     | 9,321,652                                       | 4,827,348                              | (4,310,000)               | (4,310,000)                | (4,310,000)                 |
| Funding source:   |                |   |  |                           |                            |                             |
| State general fund/general purpose                              | 14,149,000     | 9,321,652                                       | 4,827,348                              | (4,310,000)               | (4,310,000)                | (4,310,000)                 |
| Administrative hearings officers                                | 3,326,400      | 1,980,338                                       | 1,346,062                              | (520,000)                 | (520,000)                  | (520,000)                   |
| Funding source:   |                |   |  |                           |                            |                             |
| State general fund/general purpose                              | 3,326,400      | 1,980,338                                       | 1,346,062                              | (520,000)                 | (520,000)                  | (520,000)                   |
| <b>SEC. 107. HEALTH CARE</b>                                    |                |   |  |                           |                            |                             |
| Healthy Michigan plan administration                            | 1,243,100      | 945,183   | 297,917                                | (275,000)                 | (275,000)                  | (275,000)                   |
| Funding source:   |                |   |  |                           |                            |                             |
| State general fund/general purpose                              | 828,100        | 482,903   | 345,197                                | (275,000)                 | (275,000)                  | (275,000)                   |
| <b>TO: SEC. 107. HEALTH CARE</b>                                |                |   |  |                           |                            |                             |
| Prisoner health care services                                   | 75,180,400     | 72,533,498                                      | 2,646,902                              | 3,350,000                 | 3,350,000                  | 3,350,000                   |
| Funding source:   |                |   |  |                           |                            |                             |
| State general fund/general purpose                              | 75,180,400     | 72,533,498                                      | 2,646,902                              | 3,350,000                 | 3,350,000                  | 3,350,000                   |
| Clinical and mental health services and support                 | 222,831,900    | 227,060,049                                     | (4,228,149)                            | 1,755,000                 | 1,755,000                  | 1,755,000                   |
| Funding source:   |                |   |  |                           |                            |                             |
| State general fund/general purpose                              | 222,579,200    | 226,807,349                                     | (4,228,149)                            | 1,755,000                 | 1,755,000                  | 1,755,000                   |

The transfer to the Prisoner Health Care Services line item is needed to cover higher than anticipated costs for oncology-related services and treatment for prisoners. Costs are higher due to an increase of roughly 70% in the number of inmates requiring treatment for cancer (comparing second quarter FY 2015 data to second quarter FY 2016 data). The transfer to the Clinical and Mental Health Services and Support line item is necessary to cover a 5% increase in utilization of mental health-related services and treatment, and higher costs for anti-psychotic medications. Also, as a result of additional appropriations included in the budget to cover costs of Hepatitis C treatment for prisoners, additional funding is needed to cover the associated increased costs for Hepatitis C testing and laboratory-related services.

(Continued on next page)

Funding is available from the Worker's Compensation line item as a result of lower than anticipated workers compensation claims submitted by employees. The deployment of tasers in the facilities has resulted in a reduction in workplace injuries. Funding is available from the Administrative Hearings Officers line item due to a lower than anticipated number of hearings and subsequent payments to DLARA for hearing staff who review and rule on prisoner misconduct cases. Funding is available from the Healthy Michigan Plan Administration line item as a result of the receipt of additional federal Title XIX Medicaid revenues, which offset the need for the total amount of appropriated GF/GP. This transfer is requested as part of the FY 2015-16 book closing.

## LEGISLATIVE TRANSFER

BUDGET AREA: **CORRECTIONS**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$4,145,000**

S.B.O. LETTER: **10/31/16**  
 S.B.O. REQUEST: **2016-9**  
 ANALYST: **Robin Risko**

| TRANSFER ITEMS  | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 10/28/16 | BALANCE<br>AVAILABLE<br>AS OF 10/28/16 | GOV'S<br>REC.<br>10/31/16 | HOUSE<br>ACTION<br>11/9/16 | SENATE<br>ACTION<br>11/9/16 |
|---|----------------|---|--|---------------------------|----------------------------|-----------------------------|
| <b>FROM: SEC. 104. BUDGET AND OPERATIONS<br/>ADMINISTRATION</b> |                |   |  |                           |                            |                             |
| Worker's compensation   | 14,149,000     | 9,321,652                                       | 4,827,348                              | (490,000)                 | (490,000)                  | (490,000)                   |
| Funding source:   |                |   |  |                           |                            |                             |
| State general fund/general purpose                              | 14,149,000     | 9,321,652                                       | 4,827,348                              | (490,000)                 | (490,000)                  | (490,000)                   |
| County jail reimbursement program                               | 13,597,100     | 10,528,135                                      | 3,068,965                              | (380,000)                 | (380,000)                  | (380,000)                   |
| Funding source:   |                |   |  |                           |                            |                             |
| State general fund/general purpose                              | 7,697,100      | 5,218,753                                       | 2,478,347                              | (380,000)                 | (380,000)                  | (380,000)                   |
| <b>SEC. 106. CORRECTIONAL FACILITIES<br/>ADMINISTRATION</b>     |                |   |  |                           |                            |                             |
| Leased beds and alternatives to leased beds                     | 5,250,000      | 3,211,635                                       | 2,038,365                              | (1,900,000)               | (1,900,000)                | (1,900,000)                 |
| Funding source:   |                |   |  |                           |                            |                             |
| State general fund/general purpose                              | 5,250,000      | 3,211,635                                       | 2,038,365                              | (1,900,000)               | (1,900,000)                | (1,900,000)                 |
| <b>SEC. 108. CORRECTIONAL FACILITIES</b>                        |                |   |  |                           |                            |                             |
| Pugsley Correctional Facility - Kingsley                        | 24,076,500     | 21,163,733                                      | 2,912,767                              | (1,375,000)               | (1,375,000)                | (1,375,000)                 |
| Funding source:   |                |   |  |                           |                            |                             |
| State general fund/general purpose                              | 24,076,500     | 21,163,733                                      | 2,912,767                              | (1,375,000)               | (1,375,000)                | (1,375,000)                 |
| <b>TO: SEC. 106. CORRECTIONAL FACILITIES<br/>ADMINISTRATION</b> |                |   |  |                           |                            |                             |
| Prison food service   | 52,558,900     | 52,320,801                                      | 238,099                                | 3,160,000                 | 3,160,000                  | 3,160,000                   |
| Funding source:   |                |   |  |                           |                            |                             |
| State general fund/general purpose                              | 52,333,900     | 52,320,801                                      | 13,099                                 | 3,160,000                 | 3,160,000                  | 3,160,000                   |

## LEGISLATIVE TRANSFER

BUDGET AREA: **CORRECTIONS**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$4,145,000 (Continued)**

S.B.O. LETTER: **10/31/16**  
 S.B.O. REQUEST: **2016-9**  
 ANALYST: **Robin Risko**

| TRANSFER ITEMS  | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 10/28/16 | BALANCE<br>AVAILABLE<br>AS OF 10/28/16 | GOV'S<br>REC.<br>10/31/16 | HOUSE<br>ACTION<br>11/9/16 | SENATE<br>ACTION<br>11/9/16 |
|---|----------------|---|--|---------------------------|----------------------------|-----------------------------|
| <b>TO: SEC. 106. CORRECTIONAL FACILITIES<br/>ADMINISTRATION</b> |                |   |  |                           |                            |                             |
| Transportation  | 23,752,200     | 24,735,875                                      | (983,675)                              | 985,000                   | 985,000                    | 985,000                     |
| Funding source:   |                |   |  |                           |                            |                             |
| State general fund/general purpose                              | 23,752,200     | 24,735,875                                      | (983,675)                              | 985,000                   | 985,000                    | 985,000                     |

The transfer to the Prison Food Service line item is necessary to cover an inflationary food service increase required under the contract, as well as to cover higher average per meal costs. The transfer to the Transportation line item is needed to cover an increase in the number of prisoner transfers. The number of transfers is higher than anticipated as a result of the following: closure of the Pugsley Correctional Facility; elimination of the Leased Beds program; transfer of prisoners from the former Kinross Correctional Facility to the former Hiawatha Correctional Facility (which has since been renamed the new Kinross Correctional Facility); and transfer of prisoners from the new Kinross Correctional Facility to various other facilities following recent disturbances at the facility.

Funding is available from the Worker's Compensation line item as a result of lower than anticipated workers compensation claims submitted by employees. The deployment of tasers in the facilities has resulted in a reduction in workplace injuries. Funding is available from the County Jail Reimbursement Program line item due to reduced court dispositions. Funding is available from the Leased Beds and Alternatives to Leased Beds line item due to the expected elimination of the program starting on October 1, and moving prisoners back to state facilities, as space became available, prior to the October 1 program end date. Funding is available from the Pugsley Correctional Facility line item, again, due to the expected closure of the facility starting on October 1, and transferring staff and prisoners out to other state facilities as positions and bed space became available, prior to the October 1 closure date. This transfer is requested as part of the FY 2015-16 book closing.

## LEGISLATIVE TRANSFER

BUDGET AREA: **EDUCATION**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$800,000**

S.B.O. LETTER: **10/31/16**  
 S.B.O. REQUEST: **2016-9**  
 ANALYST: **Samuel Christensen**

| TRANSFER ITEMS  | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 10/28/2016 | BALANCE<br>AVAILABLE<br>AS OF 10/28/2016 | GOV'S<br>REC.<br>10/31/16 | HOUSE<br>ACTION<br>11/9/16 | SENATE<br>ACTION<br>11/9/16 |
|---|----------------|---|--|---------------------------|----------------------------|-----------------------------|
| <b>FROM: SEC. 108. MICHIGAN OFFICE OF GREAT START</b> |                |   |  |                           |                            |                             |
| Child development and care for external support       | 26,896,500     | 20,086,824  | 6,809,676                                | (800,000)                 | (800,000)                  | (800,000)                   |
| Funding source:                                       |                |   |  |                           |                            |                             |
| Federal revenues                                      | 26,896,500     | 20,086,824  | 6,809,676                                | (800,000)                 | (800,000)                  | (800,000)                   |
| <b>TO: SEC. 108. MICHIGAN OFFICE OF GREAT START</b>   |                |   |  |                           |                            |                             |
| Office of great start operations                      | 22,808,600     | 22,210,539  | 598,061                                  | 800,000                   | 800,000                    | 800,000                     |
| Funding source:                                       |                |   |  |                           |                            |                             |
| Federal revenues                                      | 15,681,700     | 15,812,518  | (130,818)                                | 800,000                   | 800,000                    | 800,000                     |

The transfer would provide \$800,000 in federal revenues to the Office of Great Start. The Office of Great Start operations line item had higher than expected costs in FY 2015-16 due to increased staffing and administrative costs attributable to new federal regulations requiring the state to dedicate additional resources toward targeted activities focused on improving the quality of infant and toddler care. Transfer funding will come from the Child Development and Care External Support line item, which provides funding to LARA and DHHS for childcare licensing and inspecting services. There is sufficient authority within the External Support line item to cover this transfer because LARA was in the process of hiring additional consultants during FY 2015-16 and did not expend its entire allocated amount.

## LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$4,560,000**

S.B.O. LETTER: **11/3/16**  
 S.B.O. REQUEST: **2016-10**  
 ANALYST: **Viola Bay Wild**

| TRANSFER ITEMS  | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 10/28/16 | BALANCE<br>AVAILABLE<br>AS OF 10/28/16 | GOV'S<br>REC.<br>11/3/16 | HOUSE<br>ACTION<br>11/9/16 | SENATE<br>ACTION<br>11/9/16 |
|---|----------------|---|--|--------------------------|----------------------------|-----------------------------|
| <b>FROM: PUBLIC ACT 84 OF 2015, ARTICLE X,<br/>SEC. 206(4)</b>      |                |   |  |                          |                            |                             |
| Contingency funds   | 40,000,000     | NA  | NA                                     | (4,560,000)              | (4,560,000)                | (4,560,000)                 |
| Funding source:   |                |   |  |                          |                            |                             |
| Total local revenues  | 40,000,000     | NA  | NA                                     | (4,560,000)              | (4,560,000)                | (4,560,000)                 |
| <b>TO: SEC. 105. CHILDREN'S SERVICES<br/>AGENCY - CHILD WELFARE</b> |                |   |  |                          |                            |                             |
| Foster care payments  | 183,353,000    | 187,803,536                                     | (4,450,536)                            | 4,560,000                | 4,560,000                  | 4,560,000                   |
| Funding source:   |                |   |  |                          |                            |                             |
| Local funds – county chargeback                                     | 14,194,000     | 14,538,532*                                     | (344,532)*                             | 4,560,000                | 4,560,000                  | 4,560,000                   |

This transfer would increase local revenue funding authorization in the Foster Care Payments line item to recognize the actual amount of local county chargeback revenues received during FY 2015-16. The Department receives local chargeback revenues in the Foster Care line item because counties must reimburse the state for 50% of the cost for out-of-home expenditures for foster care children who are state wards and are not eligible for federal Title IV-E funding. The Department requests this transfer as part of FY 2015-16 book closing.

\*Year-to-date (YTD) expenditures, encumbrances, and balances by revenue source are estimates.



## LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$6,000,000**

S.B.O. LETTER: **11/3/16**  
 S.B.O. REQUEST: **2016-10**  
 ANALYST: **Viola Bay Wild**

| TRANSFER ITEMS   | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 10/28/16 | BALANCE<br>AVAILABLE<br>AS OF 10/28/16 | GOV'S<br>REC.<br>11/3/16 | HOUSE<br>ACTION<br>11/9/16 | SENATE<br>ACTION<br>11/9/16 |
|--|----------------|---|--|--------------------------|----------------------------|-----------------------------|
| <b>FROM: SEC. 107. PUBLIC ASSISTANCE</b>                     |                |   |  |                          |                            |                             |
| Family independence program                                  | 102,815,800    | 100,748,917                                     | 2,066,883                              | (3,000,000)              | (3,000,000)                | (3,000,000)                 |
| Funding source:  |                |   |  |                          |                            |                             |
| State general fund/general purpose                           | 9,383,700      | 9,195,062*                                      | 188,638*                               | (3,000,000)              | (3,000,000)                | (3,000,000)                 |
| <b>SEC. 108. FIELD OPERATIONS AND SUPPORT SERVICES</b>       |                |   |  |                          |                            |                             |
| Public assistance field staff                                | 463,753,300    | 461,939,093                                     | 1,814,207                              | (3,000,000)              | (3,000,000)                | (3,000,000)                 |
| Funding source:  |                |   |  |                          |                            |                             |
| Social security act, temporary assistance for needy families | 84,249,700     | 83,920,114*                                     | 329,586*                               | (3,000,000)              | (3,000,000)                | (3,000,000)                 |
| <b>TO: SEC. 107. PUBLIC ASSISTANCE</b>                       |                |   |  |                          |                            |                             |
| Family independence program                                  | 102,815,800    | 100,748,917                                     | 2,066,883                              | 3,000,000                | 3,000,000                  | 3,000,000                   |
| Funding source:  |                |   |  |                          |                            |                             |
| Social security act, temporary assistance for needy families | 50,883,400     | 49,860,502*                                     | 1,022,898*                             | 3,000,000                | 3,000,000                  | 3,000,000                   |
| <b>SEC. 108. FIELD OPERATIONS AND SUPPORT SERVICES</b>       |                |   |  |                          |                            |                             |
| Public assistance field staff                                | 463,753,300    | 461,939,093                                     | 1,814,207                              | 3,000,000                | 3,000,000                  | 3,000,000                   |
| Funding sources:   |                |   |  |                          |                            |                             |
| State general fund/general purpose                           | 183,887,500    | 183,168,130*                                    | 719,370*                               | 3,000,000                | 3,000,000                  | 3,000,000                   |

This transfer requests a shift of Temporary Assistance for Needy Families (TANF) and State GF/GP authorization between the Family Independence Program and Public Assistance Field Staff line items. The transfer would help utilize more Child Care and Development Fund (CCDF) dollars within the Public Assistance Field Staff line item which has additional claimable spending for CCDF, but does not currently have the required State match available. This transfer would shift \$3.0 million GF/GP to the Public Assistance Field Staff line item to be used as additional State match for federal dollars. As a result of this transfer, the State would receive \$5.68 million more in CCDF revenue which would be used along with the \$3.0 million transferred GF/GP to replace \$8.66 million TANF funding in the Public Assistance Field Staff line item. Any saved TANF funding would carryforward and be available for expenditure in FY 2016-17. The Department requests this transfer as part of FY 2015-16 book closing.

\*Year-to-date (YTD) expenditures, encumbrances, and balances by revenue source are estimates.

## LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$4,910,000**

S.B.O. LETTER: **11/3/16**  
 S.B.O. REQUEST: **2016-10**  
 ANALYST: **Viola Bay Wild**

| TRANSFER ITEMS   | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 10/28/16 | BALANCE<br>AVAILABLE<br>AS OF 10/28/16 | GOV'S<br>REC.<br>11/3/16 | HOUSE<br>ACTION<br>11/9/16 | SENATE<br>ACTION<br>11/9/16 |
|--|----------------|---|--|--------------------------|----------------------------|-----------------------------|
| <b>FROM: PUBLIC ACT 84 OF 2015, ARTICLE X,<br/>SEC. 206(1)</b> |                |   |  |                          |                            |                             |
| Contingency funds  | 370,309,000    | NA  | NA                                     | (4,910,000)              | (4,910,000)                | (4,910,000)                 |
| Funding source:  |                |   |  |                          |                            |                             |
| Total other federal revenues                                   | 370,309,000    | NA  | NA                                     | (4,910,000)              | (4,910,000)                | (4,910,000)                 |
| <b>TO: SEC. 108. FIELD OPERATIONS AND<br/>SUPPORT SERVICES</b> |                |   |  |                          |                            |                             |
| Nutrition education  | 23,036,600     | 27,942,836                                      | (4,906,236)                            | 4,910,000                | 4,910,000                  | 4,910,000                   |
| Funding source:  |                |   |  |                          |                            |                             |
| Total other federal revenues                                   | 23,036,600     | 27,942,836                                      | (4,906,236)                            | 4,910,000                | 4,910,000                  | 4,910,000                   |

This transfer would increase federal authorization in the Nutrition Education line item to recognize higher than appropriated federal revenues in support of nutrition education. The Department requests this transfer as part of FY 2015-16 book closing.

\*Year-to-date (YTD) expenditures, encumbrances, and balances by revenue source are estimates.

## LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$12,600,000**

S.B.O. LETTER: **11/3/16**  
 S.B.O. REQUEST: **2016-10**  
 ANALYST: **Kevin Koorstra**

| TRANSFER ITEMS                                    | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 10/28/16 | BALANCE<br>AVAILABLE<br>AS OF 10/28/16 | GOV'S<br>REC.<br>11/3/16 | HOUSE<br>ACTION<br>11/9/16 | SENATE<br>ACTION<br>11/9/16 |
|---|----------------|---|--|--------------------------|----------------------------|-----------------------------|
| <b>FROM: SEC. 111. BEHAVIORAL HEALTH SERVICES</b> |                |   |  |                          |                            |                             |
| Healthy Michigan plan – behavioral health         | 255,000,000    | 222,639,838                                     | 32,360,162                             | (400,000)                | (400,000)                  | (400,000)                   |
| Funding source:                                   |                |   |  |                          |                            |                             |
| Total other federal revenues                      | 255,000,000    | 222,639,838                                     | 32,360,162                             | (400,000)                | (400,000)                  | (400,000)                   |
| <b>SEC. 125. MEDICAL SERVICES</b>                 |                |   |  |                          |                            |                             |
| Hospital services and therapy                     | 1,023,300,000  | 836,882,214                                     | 186,417,786                            | (12,200,000)             | (12,200,000)               | (12,200,000)                |
| Funding sources:                                  |                |   |  |                          |                            |                             |
| Total other federal revenues                      | 674,535,200    | 555,522,414*                                    | 119,012,786*                           | (8,300,000)              | (8,300,000)                | (8,300,000)                 |
| State general fund/general purpose                | 35,359,100     | 1,955,161*                                      | 33,403,939*                            | (3,900,000)              | (3,900,000)                | (3,900,000)                 |
| <b>TO: SEC. 111. BEHAVIORAL HEALTH SERVICES</b>   |                |   |  |                          |                            |                             |
| Autism services                                   | 57,700,000     | 69,604,853                                      | (11,904,853)                           | 12,200,000               | 12,200,000                 | 12,200,000                  |
| Funding sources:                                  |                |   |  |                          |                            |                             |
| Total other federal revenues                      | 37,851,200     | 46,038,240                                      | (8,187,040)                            | 8,300,000                | 8,300,000                  | 8,300,000                   |
| State general fund/general purpose                | 19,848,800     | 23,566,613                                      | (3,717,813)                            | 3,900,000                | 3,900,000                  | 3,900,000                   |
| Medicaid substance use disorder services          | 52,922,800     | 53,204,194                                      | (281,394)                              | 400,000                  | 400,000                    | 400,000                     |
| Funding source:                                   |                |   |  |                          |                            |                             |
| Total other federal revenues                      | 34,717,000     | 35,106,462                                      | (389,462)                              | 400,000                  | 400,000                    | 400,000                     |

This transfer aligns authorization to final FY 2015-16 expenditures between Medicaid physical and behavioral health program lines. Additional authorization is needed in the Autism Services line to address continued ramp up in reimbursement payments for the new Medicaid benefit and in the Medicaid Substance Use Disorder line to address greater than projected caseload expenditure. Funding is available for transfer in the Hospital Services and Therapy line due to continued decline in Medicaid fee-for-service inpatient expenses and in the Healthy Michigan Plan-Behavioral Health line due to lower than projected caseload expenditure in the HMP program.

\*Year-to-date (YTD) expenditures, encumbrances, and balances by revenue source are estimates.

## LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$1,200,000**

S.B.O. LETTER: **11/3/16**  
 S.B.O. REQUEST: **2016-10**  
 ANALYST: **Sue Frey**

| TRANSFER ITEMS   | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 10/28/16 | BALANCE<br>AVAILABLE<br>AS OF 10/28/16 | GOV'S<br>REC.<br>11/3/16 | HOUSE<br>ACTION<br>11/9/16 | SENATE<br>ACTION<br>11/9/16 |
|--|----------------|---|--|--------------------------|----------------------------|-----------------------------|
| <b>FROM: PUBLIC ACT 84 OF 2015, ARTICLE X,<br/>SEC. 206(1)</b>   |                |   |  |                          |                            |                             |
| Contingency funds  | 370,309,000    | NA  | NA                                     | (1,200,000)              | (1,200,000)                | (1,200,000)                 |
| Funding source:  |                |   |  |                          |                            |                             |
| Total federal revenues   | 370,309,000    | NA  | NA                                     | (1,200,000)              | (1,200,000)                | (1,200,000)                 |
| <b>TO: SEC. 117. LOCAL HEALTH<br/>ADMINISTRATION AND GRANTS</b>  |                |   |  |                          |                            |                             |
| Medicaid outreach cost reimbursement to local health departments | 9,000,000      | 8,966,027                                       | 33,973                                 | 1,200,000                | 1,200,000                  | 1,200,000                   |
| Funding source:  |                |   |  |                          |                            |                             |
| Total other federal revenues                                     | 9,000,000      | 8,966,027                                       | 33,973                                 | 1,200,000                | 1,200,000                  | 1,200,000                   |

This transfer increases the federal funds authorization for the Medicaid Outreach Cost Reimbursement to Local Health Departments line item, enabling the Department to expend available federal revenues \$1,200,000 in excess of the current authorization. Increased funding has been earned for qualified local Medicaid outreach expenditures. Federal Medicaid matching reimbursement of 50% of expenditures is available as eligible costs are incurred by local public health departments including costs through agreements with local nonprofit agencies. The Executive indicates that this transfer is needed as part of FY 2015-16 book closing.

Federal contingency fund authorization is available for this transfer.

## LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$710,000**

S.B.O. LETTER: **11/3/16**  
 S.B.O. REQUEST: **2016-10**  
 ANALYST: **Sue Frey**

| TRANSFER ITEMS   | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 10/28/16 | BALANCE<br>AVAILABLE<br>AS OF 10/28/16 | GOV'S<br>REC.<br>11/3/16 | HOUSE<br>ACTION<br>11/9/16 | SENATE<br>ACTION<br>11/9/16 |
|--|----------------|---|--|--------------------------|----------------------------|-----------------------------|
| <b>FROM: PUBLIC ACT 84 OF 2015, ARTICLE X,<br/>SEC. 206(1)</b> |                |   |  |                          |                            |                             |
| Contingency funds  | 370,309,000    | NA  | NA                                     | (710,000)                | (710,000)                  | (710,000)                   |
| Funding source:  |                |   |  |                          |                            |                             |
| Total federal revenues   | 370,309,000    | NA  | NA                                     | (710,000)                | (710,000)                  | (710,000)                   |
| <b>TO: SEC. 123. AGING AND ADULT<br/>SERVICES AGENCY</b>       |                |   |  |                          |                            |                             |
| Nutrition services   | 39,044,000     | 39,752,211                                      | (708,211)                              | 710,000                  | 710,000                    | 710,000                     |
| Funding source:  |                |   |  |                          |                            |                             |
| Total other federal revenues                                   | 27,657,000     | 28,365,211                                      | (708,211)                              | 710,000                  | 710,000                    | 710,000                     |

This transfer increases the federal funds authorization for the senior Nutrition Services line item, enabling the Department to expend available federal revenues \$710,000 in excess of the current authorization. Increased funding is available from ongoing federal grants for home-delivered meals for seniors and for purchase of food for senior meal preparation for congregate and home-delivered meals. The funds will be used for continuation of the existing program of meals for vulnerable elderly adults administered statewide through regional area agencies on aging. State funds are sufficient within the line item to meet the matching funds requirement of the federal home-delivered meals grant. The Executive indicates that this transfer is needed as part of FY 2015-16 book closing.

Federal contingency fund authorization is available for this transfer.

## LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$148,000**

S.B.O. LETTER: **11/3/16**  
 S.B.O. REQUEST: **2016-10**  
 ANALYST: **Sue Frey**

| TRANSFER ITEMS   | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 10/28/16 | BALANCE<br>AVAILABLE<br>AS OF 10/28/16 | GOV'S<br>REC.<br>11/3/16 | HOUSE<br>ACTION<br>11/9/16 | SENATE<br>ACTION<br>11/9/16 |
|--|----------------|---|--|--------------------------|----------------------------|-----------------------------|
| <b>FROM: PUBLIC ACT 84 OF 2015, ARTICLE X,<br/>SEC. 206(2)</b> |                |   |  |                          |                            |                             |
| Contingency funds  | 14,130,300     | NA  | NA                                     | (148,000)                | (148,000)                  | (148,000)                   |
| Funding source:  |                |   |  |                          |                            |                             |
| Total state restricted revenues                                | 14,130,300     | NA  | NA                                     | (148,000)                | (148,000)                  | (148,000)                   |
| <b>TO: SEC. 123. AGING AND ADULT<br/>SERVICES AGENCY</b>       |                |   |  |                          |                            |                             |
| Respite care program   | 6,418,700      | 6,550,604                                       | (131,904)                              | 148,000                  | 148,000                    | 148,000                     |
| Funding source:  |                |   |  |                          |                            |                             |
| Total other state restricted revenues                          | 1,950,000      | 2,091,653                                       | (141,653)                              | 148,000                  | 148,000                    | 148,000                     |

This transfer increases the state restricted authorization for the Respite Care Program line item, enabling the Department to expend available state restricted revenues \$148,000 in excess of the current authorization. Carryforward funding is available from the Senior Care Respite Fund. The funds will be used for the existing program through area agencies on aging of respite care services to assist family caregivers providing care to an elderly person in need of constant supervision. Respite may be provided in the home or in an adult day care setting. Revenue to the Senior Care Respite Fund is from escheats to the state from uncashed checks paid to subscribers or providers by the nonprofit mutual insurance corporation Blue Cross Blue Shield of Michigan. Statutory changes in 2010 (Act 197 PA 2010) shortened the unclaimed property period for uncashed checks creating a one-time acceleration of deposits to the Fund which are being expended by the program over a multi-year period. The Executive indicates that the carryforward funds are almost fully expended. A similar transfer was made earlier in the fiscal year for \$550,000, and a similar transfer was made in FY 2014-15. The Executive indicates that this transfer is needed as part of FY 2015-16 book closing.

State restricted contingency fund authorization is available for this transfer.

## LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$65,745,200**

S.B.O. LETTER: **11/3/16**  
 S.B.O. REQUEST: **2016-10**  
 ANALYST: **Kevin Koorstra**

| TRANSFER ITEMS                           | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 10/28/16 | BALANCE<br>AVAILABLE<br>AS OF 10/28/16 | GOV'S<br>REC.<br>11/3/16 | HOUSE<br>ACTION<br>11/9/16 | SENATE<br>ACTION<br>11/9/16 |
|--|----------------|---|--|--------------------------|----------------------------|-----------------------------|
| <b>FROM: SEC. 125. MEDICAL SERVICES</b>  |                |   |  |                          |                            |                             |
| Hospital services and therapy            | 1,023,300,000  | 836,882,214                                     | 186,417,786                            | (34,745,200)             | (34,745,200)               | (34,745,200)                |
| Funding sources:                         |                |   |  |                          |                            |                             |
| Total other federal revenues             | 674,535,200    | 555,522,414*                                    | 119,012,786*                           | (32,800,000)             | (32,800,000)               | (32,800,000)                |
| State general fund/general purpose       | 35,359,100     | 1,955,161*                                      | 33,403,939*                            | (1,945,200)              | (1,945,200)                | (1,945,200)                 |
| Pharmaceutical services                  | 443,353,700    | 322,554,901                                     | 120,798,799                            | (31,000,000)             | (31,000,000)               | (31,000,000)                |
| Funding sources:                         |                |   |  |                          |                            |                             |
| Total other federal revenues             | 292,571,900    | 214,550,214*                                    | 78,021,686*                            | (24,500,000)             | (24,500,000)               | (24,500,000)                |
| State general fund/general purpose       | 150,781,800    | 108,004,687*                                    | 42,777,113*                            | (6,500,000)              | (6,500,000)                | (6,500,000)                 |
| <b>TO: SEC. 125. MEDICAL SERVICES</b>    |                |   |  |                          |                            |                             |
| Hospital disproportionate share payments | 45,000,000     | 44,995,419                                      | 4,581                                  | 745,200                  | 745,200                    | 745,200                     |
| Funding source:                          |                |   |  |                          |                            |                             |
| State general fund/general purpose       | 9,365,100      | 9,364,147*                                      | 953*                                   | 745,200                  | 745,200                    | 745,200                     |
| Hospice services                         | 99,268,600     | 110,220,803                                     | (10,952,203)                           | 11,000,000               | 11,000,000                 | 11,000,000                  |
| Funding sources:                         |                |   |  |                          |                            |                             |
| Total other federal revenues             | 65,120,000     | 72,342,008*                                     | (7,222,008)*                           | 7,000,000                | 7,000,000                  | 7,000,000                   |
| State general fund/general purpose       | 34,148,600     | 37,878,795*                                     | (3,730,195)*                           | 4,000,000                | 4,000,000                  | 4,000,000                   |
| Healthy Michigan plan                    | 3,341,423,500  | 3,310,517,531                                   | 30,905,969                             | 15,000,000               | 15,000,000                 | 15,000,000                  |
| Funding source:                          |                |   |  |                          |                            |                             |
| Total other federal revenues             | 3,341,423,500  | 3,310,517,531                                   | 30,905,969                             | 15,000,000               | 15,000,000                 | 15,000,000                  |
| Long-term care services                  | 1,689,800,300  | 1,693,308,382                                   | (3,508,082)                            | 9,000,000                | 9,000,000                  | 9,000,000                   |
| Funding source:                          |                |   |  |                          |                            |                             |
| Total other federal revenues             | 1,097,198,000  | 1,107,919,555*                                  | (10,721,555)*                          | 9,000,000                | 9,000,000                  | 9,000,000                   |

## LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$65,745,200 (Continued)**

S.B.O. LETTER: **11/3/16**  
 S.B.O. REQUEST: **2016-10**  
 ANALYST: **Kevin Koorstra**

| TRANSFER ITEMS                                     | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 10/28/16 | BALANCE<br>AVAILABLE<br>AS OF 10/28/16 | GOV'S<br>REC.<br>11/3/16 | HOUSE<br>ACTION<br>11/9/16 | SENATE<br>ACTION<br>11/9/16 |
|--|----------------|---|--|--------------------------|----------------------------|-----------------------------|
| <b>TO: SEC. 125. MEDICAL SERVICES</b>              |                |   |  |                          |                            |                             |
| Medicaid home- and community-based services waiver | 326,229,700    | 327,483,112                                     | (1,253,412)                            | 4,000,000                | 4,000,000                  | 4,000,000                   |
| Funding sources:                                   |                |   |  |                          |                            |                             |
| Total other federal revenues                       | 215,925,900    | 216,755,512*                                    | (829,612)*                             | 2,800,000                | 2,800,000                  | 2,800,000                   |
| State general fund/general purpose                 | 110,303,800    | 110,727,600*                                    | (423,800)*                             | 1,200,000                | 1,200,000                  | 1,200,000                   |
| Adult home help services                           | 302,344,700    | 305,667,822                                     | (3,323,122)                            | 5,000,000                | 5,000,000                  | 5,000,000                   |
| Funding sources:                                   |                |   |  |                          |                            |                             |
| Total other federal revenues                       | 198,788,400    | 200,082,600*                                    | (1,294,200)*                           | 2,500,000                | 2,500,000                  | 2,500,000                   |
| State general fund/general purpose                 | 103,556,300    | 105,585,222*                                    | (2,028,922)*                           | 2,500,000                | 2,500,000                  | 2,500,000                   |
| Health plan services                               | 5,154,716,300  | 5,157,678,385                                   | (2,962,085)                            | 15,000,000               | 15,000,000                 | 15,000,000                  |
| Funding source:                                    |                |   |  |                          |                            |                             |
| Total other federal revenues                       | 3,438,806,700  | 3,450,486,840*                                  | (11,680,140)*                          | 15,000,000               | 15,000,000                 | 15,000,000                  |
| Maternal and child health                          | 20,279,500     | 25,400,536                                      | (5,121,036)                            | 6,000,000                | 6,000,000                  | 6,000,000                   |
| Funding source:                                    |                |   |  |                          |                            |                             |
| Total other federal revenues                       | 20,279,500     | 25,400,536                                      | (5,121,036)                            | 6,000,000                | 6,000,000                  | 6,000,000                   |

This transfer will align authorization with expenditures across Medicaid physical program lines for FY 2015-16. Additional authorization is needed in the Hospice Services, Healthy Michigan Plan, Long-Term Care Services, Medicaid Home-and Community-Based Services Waiver, Adult Home Help Services, Health Plan Services, and Maternal and Child Health lines due to greater than projected expenditure in these lines. The increase in the Hospital Disproportionate Share Payments line is the result of an outstanding receivable from FY 2010-11. Excess authorization is available in the Pharmaceutical Services line due to slower than anticipated growth in specialty pharmacy utilization, and in the Hospital Services and Therapy line due to a continued decline in fee-for-service hospital inpatient utilization.

\*Year-to-date (YTD) expenditures, encumbrances, and balances by revenue source are estimates.



## LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$30,000**

S.B.O. LETTER: **10/31/16**  
 S.B.O. REQUEST: **2016-9**  
 ANALYST: **Kent Dell**

| TRANSFER ITEMS   | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 10/31/16 | BALANCE<br>AVAILABLE<br>AS OF 10/31/16 | GOV'S<br>REC.<br>10/31/16 | HOUSE<br>ACTION<br>11/9/16 | SENATE<br>ACTION<br>11/9/16 |
|--|----------------|---|--|---------------------------|----------------------------|-----------------------------|
| <b>FROM: PUBLIC ACT 84 OF 2015, ARTICLE XIV,<br/>SEC. 206(2)</b> |                |   |  |                           |                            |                             |
| Contingency funds  | 1,256,300      | NA  | NA                                     | (30,000)                  | (30,000)                   | (30,000)                    |
| Funding source:  |                |   |  |                           |                            |                             |
| Total state restricted revenues                                  | 1,256,300      | NA  | NA                                     | (30,000)                  | (30,000)                   | (30,000)                    |
| <b>TO: SEC. 102. MILITARY</b>                                    |                |   |  |                           |                            |                             |
| Departmental and National Guard operations                       | 70,581,000     | 65,192,200                                      | 5,388,800                              | 30,000                    | 30,000                     | 30,000                      |
| Funding source:  |                |   |  |                           |                            |                             |
| Total state restricted revenues                                  | 3,023,000      | 1,509,200                                       | 1,513,800                              | 30,000                    | 30,000                     | 30,000                      |

This transfer will provide increased authorization from state restricted contingency funds to align authorization with increased revenue from the Mackinac Bridge Authority to support costs associated with National Guard deployment to provide security and crowd control for the annual Labor Day bridge walk. Authorization is available from state restricted contingency revenues in accordance with 2015 PA 84, Article XIV, Section 206. This transfer is requested as part of FY 2015-16 book closing.

## LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$22,800**

S.B.O. LETTER: **10/31/16**  
 S.B.O. REQUEST: **2016-9**  
 ANALYST: **Kent Dell**

| TRANSFER ITEMS   | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 10/31/16 | BALANCE<br>AVAILABLE<br>AS OF 10/31/16 | GOV'S<br>REC.<br>10/31/16 | HOUSE<br>ACTION<br>11/9/16 | SENATE<br>ACTION<br>11/9/16 |
|--|----------------|---|--|---------------------------|----------------------------|-----------------------------|
| <b>FROM: PUBLIC ACT 84 OF 2015, ARTICLE XIV,<br/>SEC. 206(2)</b> |                |   |  |                           |                            |                             |
| Contingency funds  | 1,256,300      | NA  | NA                                     | (22,800)                  | (22,800)                   | (22,800)                    |
| Funding source:  |                |   |  |                           |                            |                             |
| Total state restricted revenues                                  | 1,256,300      | NA  | NA                                     | (22,800)                  | (22,800)                   | (22,800)                    |
| <b>TO: SEC. 103. MICHIGAN VETERANS<br/>AFFAIRS AGENCY</b>        |                |   |  |                           |                            |                             |
| Veterans' homes  | 69,755,900     | 66,975,600                                      | 2,780,300                              | 22,800                    | 22,800                     | 22,800                      |
| Funding source:  |                |   |  |                           |                            |                             |
| Total state restricted revenues                                  | 12,417,100     | 10,770,600                                      | 1,646,500                              | 22,800                    | 22,800                     | 22,800                      |

This transfer will provide increased authorization from state restricted contingency funds to align authorization with available state restricted lease revenues to support clinical services at the Grand Rapids Home for Veterans. Authorization is available from state restricted contingency revenues in accordance with 2015 PA 84, Article XIV, Section 206. This transfer is requested as part of FY 2015-16 book closing.

## LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$102,000**

S.B.O. LETTER: **10/31/16**  
 S.B.O. REQUEST: **2016-9**  
 ANALYST: **Kent Dell**

| TRANSFER ITEMS   | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 10/31/16 | BALANCE<br>AVAILABLE<br>AS OF 10/31/16 | GOV'S<br>REC.<br>10/31/16 | HOUSE<br>ACTION<br>11/9/16 | SENATE<br>ACTION<br>11/9/16 |
|--|----------------|---|--|---------------------------|----------------------------|-----------------------------|
| <b>FROM: PUBLIC ACT 84 OF 2015, ARTICLE XIV,<br/>SEC. 206(1)</b> |                |   |  |                           |                            |                             |
| Contingency funds  | 8,163,400      | NA  | NA                                     | (102,000)                 | (102,000)                  | (102,000)                   |
| Funding source:  |                |   |  |                           |                            |                             |
| Total federal revenues   | 8,163,400      | NA  | NA                                     | (102,000)                 | (102,000)                  | (102,000)                   |
| <b>TO: SEC. 102. MILITARY</b>                                    |                |   |  |                           |                            |                             |
| Departmental and National Guard operations                       | 70,581,000     | 65,192,200                                      | 5,388,800                              | 102,000                   | 102,000                    | 102,000                     |
| Funding source:  |                |   |  |                           |                            |                             |
| Total federal revenues   | 46,494,400     | 46,497,800                                      | (3,400)                                | 102,000                   | 102,000                    | 102,000                     |

This transfer will provide increased authorization from federal contingency funds to align authorization with available federal revenue from the Department of Defense, National Guard Bureau. This funding will be used to support computer-aided design training classes as part of Starbase grant operations. Authorization is available from federal contingency revenues in accordance with 2015 PA 84, Article XIV, Section 206. This transfer is requested as part of FY 2015-16 book closing.

## LEGISLATIVE TRANSFER

BUDGET AREA: **MILITARY AND VETERANS AFFAIRS**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$400,000**

S.B.O. LETTER: **10/31/16**  
 S.B.O. REQUEST: **2016-9**  
 ANALYST: **Kent Dell**

| TRANSFER ITEMS   | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 10/31/16 | BALANCE<br>AVAILABLE<br>AS OF 10/31/16 | GOV'S<br>REC.<br>10/31/16 | HOUSE<br>ACTION<br>11/9/16 | SENATE<br>ACTION<br>11/9/16 |
|--|----------------|---|--|---------------------------|----------------------------|-----------------------------|
| <b>FROM: PUBLIC ACT 84 OF 2015, ARTICLE XIV,<br/>SEC. 206(1)</b> |                |   |  |                           |                            |                             |
| Contingency funds  | 8,163,400      | NA  | NA                                     | (400,000)                 | (400,000)                  | (400,000)                   |
| Funding source:  |                |   |  |                           |                            |                             |
| Total federal revenues   | 8,163,400      | NA  | NA                                     | (400,000)                 | (400,000)                  | (400,000)                   |
| <b>TO: SEC. 102. MILITARY</b>                                    |                |   |  |                           |                            |                             |
| Departmental and National Guard operations                       | 70,581,000     | 65,192,200                                      | 5,388,800                              | 400,000                   | 400,000                    | 400,000                     |
| Funding source:  |                |   |  |                           |                            |                             |
| Total federal revenues   | 46,494,400     | 46,497,800                                      | (3,400)                                | 400,000                   | 400,000                    | 400,000                     |

This transfer will provide increased authorization from federal contingency funds to align authorization with available federal revenue from the Department of Defense, National Guard Bureau. This funding will be used to support armory furniture, barracks furniture for Camp Grayling and Fort Custer, air traffic control consoles at the Grayling Army Airfield, and the construction of concrete pads for bleachers. \$200,000 will be utilized under the armories and joint force readiness scheduled program, and \$200,000 under the National Guard training facilities and air bases scheduled program within the larger Departmental and National Guard operations line item. Authorization is available from federal contingency revenues in accordance with 2015 PA 84, Article XIV, Section 206. This transfer is requested as part of FY 2015-16 book closing.

## LEGISLATIVE TRANSFER

BUDGET AREA: **SCHOOL AID**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$2,000,000**

S.B.O. LETTER: **10/31/16**  
 S.B.O. REQUEST: **2016-9**  
 ANALYST: **Bethany Wicksall and Samuel Christensen**

| TRANSFER ITEMS                                 | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 10/28/16 | BALANCE<br>AVAILABLE<br>AS OF 10/28/16 | GOV'S<br>REC.<br>10/31/16 | HOUSE<br>ACTION<br>11/9/16 | SENATE<br>ACTION<br>11/9/16 |
|--|----------------|---|--|---------------------------|----------------------------|-----------------------------|
| <b>FROM: SEC. 22b. DISCRETIONARY PAYMENT</b>   | 3,691,947,000  | 3,662,564,885                                   | 29,382,115                             | (2,000,000)               | (2,000,000)                | (2,000,000)                 |
| Funding source:<br>School Aid Fund             | 3,675,626,500  | 3,662,564,885                                   | 13,061,615                             | (2,000,000)               | (2,000,000)                | (2,000,000)                 |
| <b>TO: SEC. 31f. SCHOOL BREAKFAST PROGRAMS</b> | 2,500,000      | 0   | 2,500,000                              | 2,000,000                 | 2,000,000                  | 2,000,000                   |
| Funding source:<br>School Aid Fund             | 2,500,000      | 0   | 2,500,000                              | 2,000,000                 | 2,000,000                  | 2,000,000                   |

This transfer would fund an anticipated shortfall in the state's school breakfast program appropriation, which was reduced in a mid-year supplemental from \$5.6 million to \$2.5 million based on FY 2014-15 expenditures. However, current FY 2015-16 expenditure estimates exceed the appropriation by \$1.2 million, and may increase further when school breakfast payment amounts are finalized in November. Funds in the foundation allowance - discretionary payment account are expected to be available after all other obligations are met, and otherwise would lapse.

## LEGISLATIVE TRANSFER

BUDGET AREA: **SCHOOL AID**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$1,500,000**

S.B.O. LETTER: **11/3/16**  
 S.B.O. REQUEST: **2016-10**  
 ANALYST: **Bethany Wicksall and Samuel Christensen**

| TRANSFER ITEMS                                 | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 10/28/16 | BALANCE<br>AVAILABLE<br>AS OF 10/28/16 | GOV'S<br>REC.<br>11/3/16 | HOUSE<br>ACTION<br>11/9/16 | SENATE<br>ACTION<br>11/9/16 |
|--|----------------|---|--|--------------------------|----------------------------|-----------------------------|
| <b>FROM: SEC. 22b. DISCRETIONARY PAYMENT</b>   | 3,691,947,000  | 3,662,564,885                                   | 29,382,115                             | (1,500,000)              | (1,500,000)                | (1,500,000)                 |
| Funding source:                                |                |   |  |                          |                            |                             |
| School Aid Fund                                | 3,675,626,500  | 3,662,564,885                                   | 13,061,615                             | (1,500,000)              | (1,500,000)                | (1,500,000)                 |
| <b>TO: SEC. 11m. CASH FLOW BORROWING COSTS</b> | 1,000,000      | 0   | 1,000,000                              | 1,500,000                | 1,500,000                  | 1,500,000                   |
| Funding source:                                |                |   |  |                          |                            |                             |
| School Aid Fund                                | 1,000,000      | 0   | 1,000,000                              | 1,500,000                | 1,500,000                  | 1,500,000                   |

This request would transfer funds to cover the state's anticipated cash flow borrowing costs of \$2.5 million. The current appropriation of \$1.0 million was based on the May 2016 Consensus Revenue estimates. Final costs are based on actual cash flow and interest rates and are calculated as part of the FY 2015-16 book-closing process. Funds in the foundation allowance - discretionary payment account are expected to be available after all other obligations are met, and otherwise would lapse.

## LEGISLATIVE TRANSFER

BUDGET AREA: **TREASURY**  
 FISCAL YEAR: **2015-16**  
 TRANSFER AMOUNT: **\$88,064**

S.B.O. LETTER: **10/31/16**  
 S.B.O. REQUEST: **2016-9**  
 ANALYST: **Ben Gielczyk**

| TRANSFER ITEMS   | Y-T-D<br>AUTH. | Y-T-D<br>EXPEND. &<br>ENCUMB.<br>AS OF 10/28/16 | BALANCE<br>AVAILABLE<br>AS OF 10/28/16 | GOV'S<br>REC.<br>10/31/16 | HOUSE<br>ACTION<br>11/9/16 | SENATE<br>ACTION<br>11/9/16 |
|--|----------------|---|--|---------------------------|----------------------------|-----------------------------|
| <b>FROM: SEC. 108(13) REVENUE SHARING</b>                |                |   |  |                           |                            |                             |
| City, village, and township revenue sharing              | 243,040,000    | 242,951,936                                     | 88,064                                 | (88,064)                  | (88,064)                   | (88,064)                    |
| Funding source:  |                |   |  |                           |                            |                             |
| Sales tax  | 243,040,000    | 242,951,936                                     | 88,064                                 | (88,064)                  | (88,064)                   | (88,064)                    |
| <b>TO: SEC. 108(13) REVENUE SHARING</b>                  |                |   |  |                           |                            |                             |
| Financially distressed cities, villages,<br>or townships | 5,000,000      | 4,991,867                                       | 8,133                                  | 88,064                    | 88,064                     | 88,064                      |
| Funding source:  |                |   |  |                           |                            |                             |
| Sales tax  | 5,000,000      | 4,991,867                                       | 8,133                                  | 88,064                    | 88,064                     | 88,064                      |

Section 952(5) of Article VIII of 2015 PA 84 states, "The unexpended funds appropriated in part 1 for city, village, and township revenue sharing and the county incentive program shall be available for expenditure under the program for financially distressed cities, villages, or townships after the approval of transfers by the legislature pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393." City, village, and township revenue sharing funds are available due to 11 eligible local units not meeting necessary requirements under the CVT Revenue Sharing program. The Financially Distressed Cities, Villages, or Townships Grant program supports grant funding to cities, villages, or townships with one or more conditions that indicate probable financial distress to pay for specific projects, services, or strategies that move a city, village, or township toward financial stability. This transfer is requested as part of the FY 2015-16 book closing.