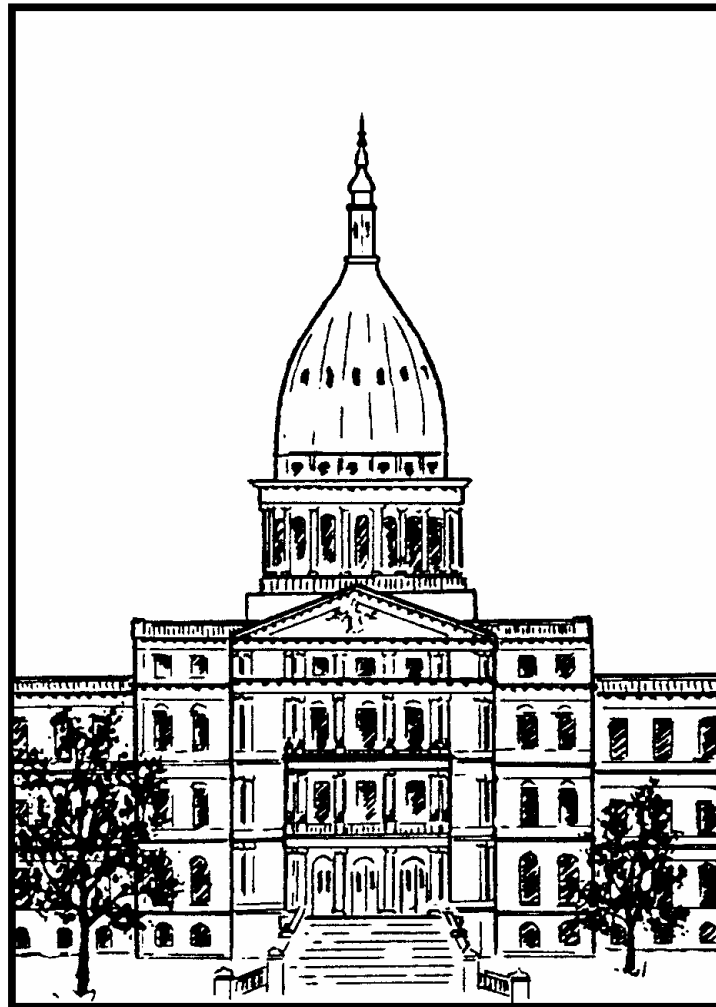


FY 2002-2003 APPROPRIATIONS REPORT FAMILY INDEPENDENCE AGENCY

Public Act 529 of 2002



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INTRODUCTION

The Family Independence Agency (FIA) budget for FY 2002-2003 is contained in P.A. 529 of 2002 (Enacted **House Bill 5645**).

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 2002-2003 budget. The overview is followed by sections which summarize major budget and boilerplate changes from the prior year. Economic issues and Governor's vetoes are then addressed. The report concludes with detailed descriptions of all budget decisions, including legislative action taken on boilerplate items.

In signing Enrolled House Bill 5645 into law on July 25, 2002, **the Governor vetoed boilerplate sections: 407, 519, 668, 710, and part of section 413.** Veto action is described in some detail on page 11 of this document.

Unless otherwise noted, all changes in this report are from the FY 2001-2002 Year-to-Date appropriations as of October 1, 2001 for the Family Independence Agency.

2002 PA 529

Introduced
02/07/2002

Passed House
03/20/2002

Passed Senate
05/16/2002

Enrolled
07/09/2002

Enacted
07/25/2002

**FAMILY INDEPENDENCE AGENCY
PUBLIC ACT 529 OF 2002**

HB 5645	FY 2001-02 YEAR-TO-DATE APPROPRIATIONS (as of 5/10/02)	FY 2002-03 ENACTED APPROPRIATIONS	FY 2002-03 ENACTED CHANGE FROM FY 2001-02	
			AMOUNT	PERCENT
FTE POSITIONS	13,505.6	12,501.1	(1,004.5)	(7.4)
GROSS	\$3,960,123,400	\$4,074,490,500	\$114,367,100	2.9
IDG/IDT	965,300	978,800	13,500	1.4
ADJUSTED GROSS	\$3,959,158,100	\$4,073,511,700	\$114,353,600	2.9
FEDERAL	2,654,133,850	2,754,318,050	100,184,200	3.8
LOCAL	86,299,000	66,956,700	(19,342,300)	(22.4)
PRIVATE	9,710,550	9,856,850	146,300	1.5
OTHER	53,233,900	65,388,800	12,154,900	22.8
GF/GP	\$1,155,780,800	\$1,176,991,300	\$21,210,500	1.8

OVERVIEW

The Family Independence Agency's (FIA) mission is, through community leadership, to help improve the quality of life in Michigan by protecting children and vulnerable adults, delivering juvenile justice services, and providing support to strengthen families and individuals striving for independence.

Gross enacted appropriations for FY 2002-03 are \$4.1 billion, which include \$1.2 billion in General Fund/General Purpose (GF/GP) revenues. Gross appropriations are \$114.4 million (2.9%) more than the FY 2001-02 Year-To-Date (YTD) authorized level while GF/GP appropriations are \$21.2 million (1.8%) more than the FY 2001-02 YTD authorized level. Please note that YTD authority includes FY 2001-02 negative Executive Order (#2002-9) which reduced the enacted budget by \$28.7 million Gross and \$24.2 million GF/GP.

Much of the increase in Gross appropriations can be attributed to an increase of \$220.2 million in Federal Food Assistance Program authority, offset somewhat by federal and local authority reductions of \$50.6 million in Foster Care and Juvenile Justice Operations due to shift in classification of juveniles. Also, the budget reflects the conscious decision to utilize \$33.0 million less TANF than in FY 2001-02.

Additional GF/GP funding was included mostly due to a \$20.0 million increase in the Department's TANF maintenance-of-effort requirement, \$23.0 million needed to match federal Child Care Development Fund dollars, and \$9.8 million to support Adoption Subsidy caseload growth. This increase was offset somewhat by \$21.3 million GF/GP savings in the area of early retirement and \$8.7 million in department-wide budgetary savings.

The graph below depicts the composition of the \$4.1 billion FY 2002-03 Enacted Budget. Approximately 43.1% of the funding is allocated for Day Care Services and Cash Grants to Clients. Cash grants include: Family Independence Program grants; State Disability Assistance; SSI State Supplementation; and Food Assistance.

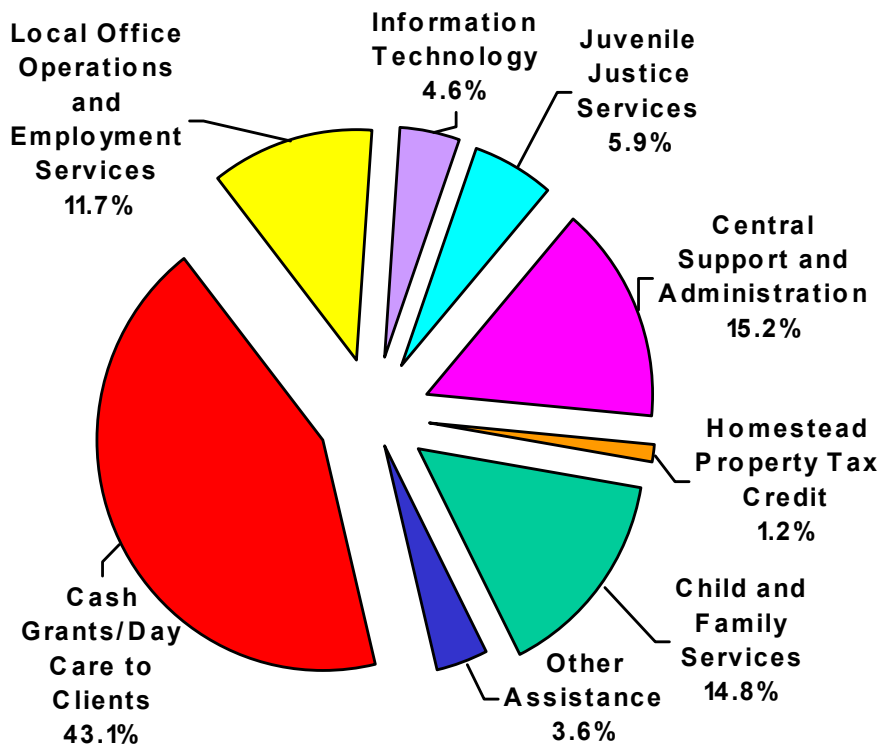
Child and Family Services delivered to clients both directly by FIA and through local agencies make up 14.8%. Major service areas include: Foster Care; Adoption Subsidies and Support; Family Preservation and Prevention Programs; Youth in Transition; Domestic Violence Prevention and Treatment; and Teenage Parent Counseling.

The Other Public Assistance category represents another 3.6% of the Department's appropriations and is comprised of Transitional Work Support, State Emergency Relief, Low-Income Energy Assistance LIHEAP, and Weatherization programs.

The Local Operations and Employment Services area (including Project Zero funding) reflects another 11.7%, while Juvenile Justice programs and the costs of Information Technology add 5.9% and 4.6% respectively to the Department's budget.

Finally, Central Support and Administration represent some 15.2% of Department allocations and 1.2% of budget is allocated to the Homestead Property Tax Credit.

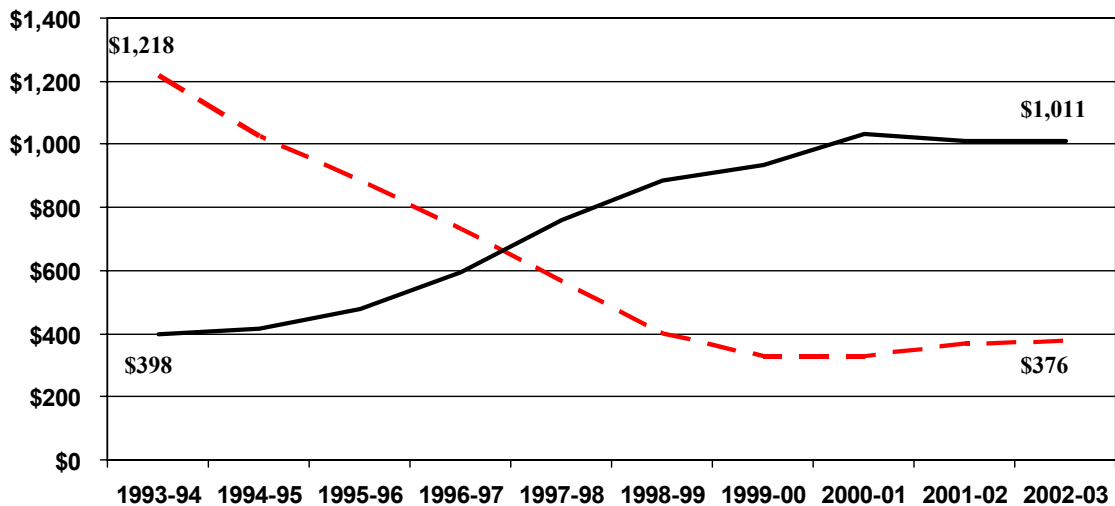
Major Spending Categories



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 depicts a sharp decline in FIP spending as the caseload decreased from 223,600 to 72,770 during that period. The caseload began to level-off in FY 2000-01 and even increased to a budgeted level of 79,900 for FY 2002-03, due to a softening economy which has resulted in fewer employment opportunities for FIP clients.

Spending on major services has increased from \$398 million in FY 1993-94 to a little over \$1.0 billion in FY 2000-01. During this time, day care expenditures have risen as families have moved off FIP, foster care and adoption 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, starting in FY 2001-02, day care caseload spending growth has slowed and many delinquency cases previously funded in foster care program line items are now funded in the Child Care Fund line item.

Family Independence Program (FIP) vs Major Services Expenditures Fiscal Years 1994 - 2003 Dollars in Millions



- - FIP
 — Services (Day Care, Foster Care, Adoption, Family Preservation)

NOTE: FYs 1993-94 through 2000-01 show expenditures;
FY 2001-02 show YTD appropriations as of 5/10/02 and FY 2002-03 reflects enacted budget.

Major Budget Changes from FY 2001-02 YTD

Appropriations:

1. Food Assistance Program Increase (formerly Food Stamp Program)

Adds \$220.2 million to fund anticipated caseload increase of 85,800 in the federal food assistance program—to 413,200 cases. This represents an additional 38,500 cases and a \$12 monthly cost per case increase (to \$168) totaling \$131.7 million, as proposed by the House, above the Executive.

	House	Senate	Enacted
Gross	\$220,192,900	\$220,192,900	\$220,192,900
Federal	\$220,192,900	\$220,192,900	\$220,192,900
GF/GP	\$0	\$0	\$0

2. Day Care Services Fund Source and Caseload Spending Adjustments

Replaces \$97.9 million in federal Temporary Assistance to Needy Families (TANF) funds with \$23.0 million in new GF/GP, a shift of \$15.3 million GF/GP from other accounts, and federal Child Care Development Fund (CCDF) matching revenues for Day Care Services as proposed by Executive. Enacted budget also adds \$5.6 million TANF for a projected caseload increase to 65,000 cases at a monthly cost per case of \$573.

Gross	\$0	\$0	\$5,600,000
Federal	(\$22,975,400)	(\$22,975,400)	(\$17,375,400)
GF/GP	\$22,975,400	\$22,975,400	\$22,975,400

3. Family Independence Program Adjustments

Adds \$33.0 million for a projected 4,700 increase in the Family Independence Program caseload—to 79,700 cases—at a monthly cost of \$389 per case. Amounts reflect fewer new cases and lower expenditures than originally assumed in Executive, House, and Senate versions of the budget. Enacted budget agrees with Executive to reduce the annual clothing allowance by \$50 to a level of \$25 per child, but restores \$25 to the per child clothing allowance in boilerplate section 413 with funds from the child support penalty fund, if ultimately received.

Gross	\$71,633,200	\$71,990,100	\$24,439,600
Federal	\$51,633,200	\$48,810,100	\$4,439,600
GF/GP	\$20,000,000	\$23,180,000	\$20,000,000

4. Adoption Subsidies/Adoption Agencies Increase-PARTIAL VETO

Provides \$26.6 million to recognize a projected adoption subsidy caseload increase from 21,200 this year to 24,500 in FY 2002-03, as recommended by Executive. House and Senate-passed 1% rate increase for child placing agencies was reduced in Conference Committee to \$31,800 by delaying the effective date to April 1, 2003, but this funding was vetoed by the Governor.

Gross	\$26,629,200	\$26,645,100	\$26,581,500
Federal	\$16,819,900	\$16,826,700	\$16,799,400
GF/GP	\$9,809,300	\$9,818,400	\$9,782,100

5. Foster Care Adjustments - PARTIAL VETO

Reduces authorization by \$63.4 million to reflect a decrease in the foster care caseload from 14,100 cases to 11,978 cases and the removal of excess local and federal authority—a slight difference from original caseload projections included in Executive, House, and Senate budgets. House and Senate-passed 1% rate increase for child placing agencies and residential treatment facilities was reduced in Conference Committee to \$840,600 by delaying the effective date to April 1, 2003, but this funding was vetoed by the Governor.

Gross	(\$62,566,200)	(\$62,582,100)	(\$63,409,300)
Federal	(\$35,152,600)	(\$35,159,400)	(\$35,304,700)
Local	(\$8,294,900)	(\$8,294,900)	(\$8,582,000)
GF/GP	(\$19,118,700)	(\$19,127,800)	(\$19,522,600)

6. Child Care Fund Increase

Increases the Child Care Fund by \$28.6 million to fund additional delinquency cases that were previously funded in the foster care lines, as proposed by Executive. Much of the spending shift is due to classification of more children as court wards in Wayne County who are being served locally through a managed care process.

Gross	\$28,600,000	\$28,600,000	\$28,600,000
Federal	\$2,300,000	\$2,300,000	\$2,300,000
GF/GP	\$26,300,000	\$26,300,000	\$26,300,000

Major Budget Changes from FY 2001-02 YTD

Appropriations:

7. Juvenile Justice Facility Savings

Recognizes \$11.0 million in additional savings from the Genesee Valley Regional Center closure and Maxey Training School bed reductions as well as \$1.1 million from annualizing the FY 2001-02 hiring freeze and removing \$1.0 million in one-time funds.

	House	Senate	Enacted
FTE	(271.0)	(271.0)	(271.0)
Gross	(\$13,077,300)	(\$13,077,300)	(\$13,077,300)
Local	(\$6,712,700)	(\$6,712,700)	(\$6,712,700)
GF/GP	(\$6,364,600)	(\$6,364,600)	(\$6,364,600)

8. Emergency Relief Increase

Adds \$7.7 million to cover increased program costs for emergency house and rent payments, taxes, and utilities. Restores \$1.2 million for Arab/Chaldean and Access programs previously eliminated by Executive Order 2001-9. House and Senate increases of \$1.6 million for raising the indigent burial maximum allowable charge by \$197 to \$1,311 per burial are not included. Leadership target agreement specified \$600,000 in GF/GP savings from the Arab/Chaldean and Access program, but this amount is restored by recent passage of the cigarette tax increase (see boilerplate Sec. 268).

Gross	\$10,512,601	\$10,512,701	\$8,944,600
Federal	\$8,334,600	\$8,334,600	\$8,334,600
GF/GP	\$2,178,001	\$2,178,101	\$610,000

9. Homestead Property Tax Funding Adjustment

Eliminates use of \$27.0 million TANF to pay the Homestead Property Tax Credit to qualifying Michigan citizens, as recommended by the Executive. Includes \$50 million in federal funds received from the Department of Career Development to be utilized for Homestead Property Tax payments.

Gross	(\$27,000,000)	(\$27,000,000)	\$23,000,000
Federal	(\$27,000,000)	(\$27,000,000)	\$23,000,000
GF/GP	\$0	\$0	\$0

10. TANF Program Spending Reductions

Lowers TANF spending level by \$1.4 million through reductions of \$650,000 for Community Services Block Grant (CSBG) funding, \$500,000 for the Fatherhood initiative, and \$250,000 for the Innovation initiative. Boilerplate restores Fatherhood and CSBG funding with child support penalty refund revenue if available.

Gross	(\$1,400,000)	(\$1,400,000)	(\$1,400,000)
Federal	(\$1,400,000)	(\$1,400,000)	(\$1,400,000)
GF/GP	\$0	\$0	\$0

11. Food Stamp Reinvestment Line Established

Adds \$5.7 million for a new line item to augment ongoing efforts to reduce issuance errors in the area of food assistance.

Gross	\$5,700,000	\$5,700,000	\$5,700,000
Federal	\$0	\$0	\$0
GF/GP	\$5,700,000	\$5,700,000	\$5,700,000

12. Child Support Enforcement System Administrative Reduction

Reflects \$7.9 million in savings attributable to reduced costs associated with developing and implementing the statewide Child Support Enforcement System.

Gross	(\$7,892,000)	(\$7,892,000)	(\$7,892,000)
Federal	(\$5,208,700)	(\$5,208,700)	(\$5,208,700)
GF/GP	(\$2,683,300)	(\$2,683,300)	(\$2,683,300)

13. Transitional Work Support

Reduces Transitional Work Support authorization by \$10.0 million to fund the Before/After School program. See item 14 below. The CSES contingency boilerplate section (413) would restore \$3.0 million of this amount.

Gross	(\$5,000,000)	(\$8,000,000)	(\$10,000,000)
Federal	\$0	\$0	\$0
GF/GP	(\$5,000,000)	(\$8,000,000)	(\$10,000,000)

14. Before/After School Pilot Program

Removes \$10.0 million TANF base funding for the Before/After School pilot program, as proposed by the Executive, but adds \$10.0 million GF/GP from Transitional Work Support to restore this funding. See item 13 above.

Gross	(\$5,000,000)	\$723,100	\$0
Federal	(\$10,000,000)	(\$7,276,900)	(\$10,000,000)
GF/GP	\$5,000,000	\$8,000,000	\$10,000,000

Major Budget Changes from FY 2001-02 YTD

Appropriations:

15. Created for Caring - VETOED

Restores and increases TANF-funded Created for Caring contract to \$150,000. Executive and House versions eliminated the contract; Senate proposed an increase. Funding was subsequently vetoed.

	House	Senate	Enacted
Gross	(\$112,500)	\$137,500	(\$112,500)
Federal	(\$112,500)	\$137,500	(\$112,500)
GF/GP	\$0	\$0	\$0

16. Transfer to Department of Information Technology

Transfers information technology FTE positions to the new Department of Information Technology. Related funding (\$185.8 million) is transferred to a new Information Technology unit within FIA, based on the revised Executive.

FTE	(296.8)	(356.0)	(356.0)
Gross	\$0	\$0	\$0
Federal	\$0	\$0	\$0
GF/GP	\$0	\$0	\$0

17. Early Retirement Savings

Includes a reduction of \$21.3 million associated with early retirement savings for FIA that is placed in a new line that will be satisfied via the transfer process (see boilerplate Sec. 265).

Gross		(\$100)	(\$21,301,700)
Federal		\$0	\$0
GF/GP		(\$100)	(\$21,301,700)

18. Budgetary Savings/Administrative Budgetary Savings

Includes a reduction of \$8.7 million associated with budgetary savings for FIA that is placed in a new line that will be satisfied via the transfer process (see boilerplate Sec. 265). An additional \$4.6 million in savings is placed in a new Administrative Budgetary Savings line as a result of Leadership target agreement for FIA; amount is restored by the recent passage of the cigarette tax increase (see boilerplate Sec. 268).

Gross			(\$8,726,500)
Federal			\$0
GF/GP			(\$8,726,500)

19. Child Care Pilot Program - VETOED

Removes \$100,000 federal from the Day Care Services line item due to veto of Sec. 668.

Gross			(\$100,000)
Federal			(\$100,000)
GF/GP			\$0

20. Juvenile Justice Day Treatment - VETOED

Removes \$1.0 million GF/GP from the Juvenile Justice Operations line item due to veto of Sec. 710.

Gross			(\$1,000,000)
Federal			\$0
GF/GP			(\$1,000,000)

Major Boilerplate Changes from FY 2001-02:

Sec. 223. Medicaid Determination Requirements

Modifies section to include required report on centralized monthly processing of Medicaid spend-down paperwork for specified clients.

Sec. 224 (FY 2001-02). Non-Traditional Business Hours - DELETED

Expresses legislative intent for FIA to provide services at local department offices during nontraditional business hours.

Sec. 225 (FY 2001-02). Contractor Negotiations and Payment - DELETED

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

Sec. 259. Information Technology Agreement (New)

Requires FIA to pay user fees to the new Department of Information Technology based on an established interagency agreement and to report on the agreement reached; modified Executive language.

Sec. 260. Information Technology Work Projects (New)

Allows Department to designate information technology appropriations as work projects; Executive language.

Sec. 261. Local FIA Office Closing or Consolidation (New)

Requires FIA to consult with members of the Legislature on planned local office restructuring and requiring any plan to ensure a presence in every county; modified House and Senate language.

Sec. 263. Foster Care Workers and Child Protective Services Workers (New)

Requires Department to replace all foster care workers and child protective services workers who take an early retirement on a 1:1 basis; House language.

Sec. 264. FIA Employee Communication with Legislature (New)

Permits FIA employees while on personal time to have appropriate communications with legislators and staff as long as the communication does not violate laws, breach confidentiality, violate civil service rules, or represent a formal FIA position without prior approval; modified House and Senate language.

Sec. 265. Early Retirement Savings and Budgetary Savings (New)

Requires that appropriations for Early Retirement Savings and Budgetary Savings be identified by line in transfer requests; target language.

Sec. 268. Tobacco Tax Increase vs. Additional Budgetary Savings (New)

Adds Target language restoring specified budgetary savings funds contingent upon a minimum 30 cents per pack cigarette tax increase.

Sec. 301. Debit Card Usage and Annual School Clothing Allowance

Modifies section to require FIA to appropriate up to \$4.3 million for school clothing allowance for children ages 4-18 and to encourage recipients to consider using allowance at consignment or stores providing discounts.

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

Adjusts language outlining conditions for State use of federal child support incentive payments and ways for counties to avoid Child Support Enforcement System penalty payment, and eliminating reporting requirements.

Sec. 405 (FY 2001-02). Prohibits GF/GP Distribution to Wayne County 3rd Circuit Court - DELETED

States the Wayne County 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.

Sec. 407. Created for Caring - VETOED

Requires Department to contract for \$150,000 TANF with Created for Caring.

Sec. 413. Contingent Appropriation - CSSES Refund (New) - PARTIAL VETO

Restores specified program funds contingent upon receipt of federal child support enforcement system penalty refund.

Sec. 415. Fatherhood Initiative

Adjusts allocation to \$500,000 TANF, eliminating independent contractor requirement, and restricting allocation to 20% per county.

Major Boilerplate Changes from FY 2001-02:

Sec. 417 (FY 2001-02). Innovation Grants - DELETED

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

Sec. 516 (FY 2001-02). Special Needs Adoptions Report - DELETED

Requires Department to prepare a report on special needs adoptions.

Sec. 518. Strong Families/Safe Children Funding

Adjusts language requiring FIA to work with multipurpose collaborative bodies (MPCBs) to arrange a reward and/or penalty plan related to out-of-home placement outcomes, includes language related to adjudicated youth, and adds MPCB outcomes reporting requirement.

Sec. 519. Foster Care and Adoption Services Rate Increase - VETOED

Modifies language to include a 1% increase to child placing agencies and residential treatment facilities beginning April 1, 2003 and to allow the rate increase to support foster and adoptive parent resource centers.

Sec. 531. Local Title IV-E Claim Requirements (New)

Outlines requirements for Department to make federal Title IV-E claims for eligible costs incurred by local units of government; Executive language.

Sec. 532. Licensing and Contract Compliance Review (New)

Requires collaboration between FIA, Department of Consumer and Industry Services (CIS), and the Michigan Federation of Private Child and Family Agencies in review of contract compliance and licensing policies, practices, and procedures in attempt to identify duplication; Senate language. Requires report.

Sec. 533. Payment Promptness - Title IV-E Services (New)

Requires the Department to make payments to child placing agencies within 30 days after receiving documentation for Title IV-E related services; House language.

Sec. 534. Teen Pregnancy Prevention Pilot (New)

Allows Department to utilize unexpended Teen Pregnancy Prevention Pilot Performance Bonus funding to support teen pregnancy prevention programs within the city of Pontiac; House language.

Sec. 535. Monthly Guardianship Fee (New)

Identifies legislative intent that FIA review merits of increasing monthly guardianship fee; Senate language.

Sec. 536. Foster Care Assignment System (New)

Prohibits FIA from implementing a geographically based foster care assignment system unless in the best interests of the foster children; Senate language.

Sec. 537. Foster Care Placement - First Opportunity (New)

Requires FIA to offer private nonprofit agencies the first opportunity to provide foster care services for new children under specified circumstances; modified Senate language.

Sec. 539. Residential Treatment Placement Process (New)

Requires FIA to collaborate with private agencies to ensure appropriate residential treatment placement process; modified Senate language.

Sec. 611. Indigent Burial - Additional Payments

Adjusts language to allow each provider to collect additional payment and limits total payments to \$2,600.

Sec. 618. Assistance Adjustment Notification

Modifies language by removing subsections requiring ten days' notice and appeal resolution prior to reducing, terminating, or suspending assistance.

Sec. 620 (FY 2001-02). Program Eligibility Notification - DELETED

Ensures clients are informed in writing of programs for which they may be eligible upon leaving assistance and allows clients to request an exit interview.

Sec. 626 (FY 2001-02). Child Day Care Provider Training - DELETED

Requires Department to fund child day care provider training programs.

Major Boilerplate Changes from FY 2001-02:

Sec. 630 (FY 2001-02). *Training/Education Guidelines* - DELETED

Requires 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.

Sec. 634 (FY 2001-02). *Parenting Skills and Career Development Pilot* - DELETED

Requires 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 three years old.

Sec. 636 (FY 2001-02). *Late Child Day Care Payment Report* - DELETED

Requires Department to submit a report on late payments to child day care providers for the year.

Sec. 659 (FY 2001-02). *Child Care Verification* - DELETED

Requires FIP recipients with a child under six years old to meet work first participation requirements unless worker verifies child care is not available.

Sec. 661. *Transitional Work Support*

Modifies language allowing FIA to expend up to \$5.0 million GF/GP.

Sec. 667. *Child Day Care Provider Background Checks (New)*

Allows Department to expend funds necessary to perform child day care provider checks from fees collected; House language.

Sec. 668. *Child Care Program Pilot (New)* - VETOED

Requires Department, in collaboration with Michigan Alliance of Boys and Girls Clubs, to conduct a child care program pilot, leveraging child care funding to implement SMART Moves Program; Senate language.

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

Adjusts language expressing legislative intent that Department work with state and local agencies necessary to ensure funding through school aid and requiring adjustments to facility per diem rates that reflect savings.

Sec. 710. *County Juvenile Justice Day Treatment* - VETOED

Modifies language to require, instead of allow, FIA to continue contracts.

Sec. 713. *Juvenile Justice Release Coordination and Medicaid Reimbursable Rate (New)*

Requires FIA to work cooperatively with other state departments to coordinate and improve the delivery of services to individuals leaving the juvenile justice system, especially those aging out identified as continuing to pose a serious risk, and requires FIA to reimburse health care providers for actual charges less than or equal to the Medicaid reimbursable rate scale for services rendered; modified House language.

Sec. 714. *County Information Networks - Technical Assistance (New)*

Requires FIA to provide technical assistance for counties to develop information networks like SHOCAP, JJOLT, and JVRS, and requiring implementation report; Senate language.

Sec. 715. *Early Intervention Initiatives Report (New)*

Identifies legislative intent related to juvenile justice system and requires FIA to present and report on early intervention initiatives based on recommendations from 2001 Joint House and Senate Task Force on Juvenile Justice; modified Senate language.

ECONOMICS: FY 2002-03

Economic Changes

The enacted budget contains a net economic increase of \$4.8 million Gross but includes reduced GF/GP funding of \$394,500. While salary & wage lines (throughout the department) initially included a 2% increase, in line with the collective bargaining agreement, the decision was made not to add applicable GF/GP funding and instead to absorb the costs (\$2.3 million) within the department. Additionally, \$693,200 of GF/GP savings in the form of staff reductions and related costs were included in order to offset positive economics elsewhere in the department. Finally, economic increases are enacted in the areas of retirement, workers compensation, food and utilities, while lower costs in the area of occupancy resulted in GF/GP savings.

FTEs	(43.5)
Gross	\$4,828,800
GF/GP	(\$394,500)

VETOES: FY 2002-03

1. Created for Caring

The Governor vetoed boilerplate Section 407 and applicable TANF funding for the Created for Caring program (a career training program).

FTEs	0.0
Gross	(\$150,000)
GF/GP	\$0

2. Child Support Enforcement System Contingent Refund

The Governor vetoed portions of boilerplate Section 413 potentially saving \$4,250,000. Vetoed items were as follows: \$2,700,000 applicable to the Before and After School program; \$600,000 earmarked for Multicultural Assimilation Programs; \$250,000 for transportation needs of the Food Bank Council; and \$700,000 earmarked for 4 new program initiatives. It should be noted that funds identified in the section are contingent in nature and are therefore not included in the Department's FY2002-03 appropriated amounts.

FTEs	0.0
Gross	\$0
GF/GP	\$0

3. Foster Care and Adoption Services Rate Adjustment

The Governor vetoed boilerplate Section 519 and applicable funding for a 1%, 6 month provider increase for child placing agencies and residential treatment facilities.

FTEs	0.0
Gross	(\$872,400)
GF/GP	(\$431,100)

4. Community Based Child Day Care Pilot

The Governor vetoed boilerplate Section 668 and applicable funding for the development of a community-based child day care pilot program.

FTEs	0.0
Gross	(\$100,000)
GF/GP	\$0

5. Day Treatment Program

The Governor vetoed boilerplate Section 710 and applicable funding for juvenile justice day treatment.

FTEs	0.0
Gross	(\$1,000,000)
GF/GP	(\$1,000,000)

BUDGET DECISIONS

DETAILED DESCRIPTIONS

LINE ITEM AND BOILERPLATE CHANGES

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
EXECUTIVE OPERATIONS			
<p>1. Unclassified Salaries The Executive proposed recognition of a 2% salary economic increase, \$10,000 Gross, \$6,300 GF/GP. Also proposed the removal of \$6,300 GF/GP associated with economics increase noted above.</p> <p>The Legislature concurred with this proposal.</p>	0.0	\$0	\$3,700
<p>2. Salaries and Wages The Executive proposed the following action:</p> <p>a) Annualizing savings & FTEs partially taken in Exe. Order #2001-9. Removing 23.0 FTEs, \$900,700 Gross (\$207,200 GF/GP).</p> <p>b) Transferring-out technical type personnel and related funding to the newly established Department of Information Technology, 233.3 FTEs, \$12.7 million Gross (\$4.8 million GF/GP).</p> <p>c) Transferring-out support staff and dollars (related to FTE transfer in b) above) to the newly established Department of Information Technology, 16.5 FTEs, \$825,000 Gross (\$313,500 GF/GP).</p> <p>d) Economics increase of \$257,000 Gross (\$135,100 GF/GP) in the area.</p> <p>e) Staff reduction of 3.5 FTEs to finance economics identified in d) above. Removing \$135,100 GF/GP.</p> <p>f) <i>Executive Budget Revision</i>, adjusting DIT recommendations made in items b) and c) above. This adjustment adds back authorization for 16.8 FTEs and applicable funding of \$1.0 million Gross (\$342,700 GF/GP).</p> <p>The Legislature concurred with proposals above.</p>	(259.5)	(\$5,022,600)	(\$13,326,600)

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>3. Contractual Services, Supplies, and Materials The Executive proposed transferring-out CSS&M funding to the newly established Department of Information Technology appropriation unit, \$2.0 million Gross (\$650,100 GF/GP).</p> <p>The House agreed to transfer \$1.8 million Gross (\$574,600 GF/GP) of the proposed funding to Department of Information Technology appropriations unit but, recommended using \$235,900 Gross (\$75,500 GF/GP) for programs elsewhere in the department.</p> <p>The Senate concurred with the House proposal.</p>	0.0	(\$650,100)	(\$2,020,000)
<p>4. Demonstration Projects The Executive proposed the following action:</p> <p>a) Recognition of additional federal funds made available for demonstration projects, \$1.5 million Federal.</p> <p>b) Economics - 2% for salaries plus an adjustment (as required) in the area of retirement, \$12,600 Gross (\$2,200 GF/GP).</p> <p>c) Reduction to Finance Economics. Overall proposal was made to identify savings to offset positive economics within this same line. Removing \$2,200 GF/GP.</p> <p>The Legislature concurred with the Executive proposal.</p>	0.0	\$0	\$1,510,400
<p>5. End User Support The Executive proposed transferring-out all funding associated with this line to the newly established Department of Information Technology.</p> <p>The Legislature concurred with the Executive proposal.</p>	0.0	(\$3,323,200)	(\$9,036,300)
<p>6. Computer Service Fees - To DMB The Executive proposed transferring-out all funding associated with this line to the newly established Department of Information Technology.</p> <p>The Legislature concurred with the Executive proposal.</p>	0.0	(\$8,491,700)	(\$27,154,100)

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>7. Client Services System The Executive proposed the following action:</p> <p>a) Transferring-out wages and applicable FTEs to the Family Independence Services appropriations unit. This amount was previously identified with technical support personnel for the old ASSIST system, 8.0 FTEs and \$484,000 Gross.</p> <p>b) Transferring-out contract type dollars to the Family Independence Services appropriations unit. This amount was previously identified with former ASSIST personnel transferred in a) above, \$9,000 Gross.</p> <p>c) Transferring-out contract type dollars to the Family Independence Services appropriations unit. Much of this amount will continue to be utilized for payments on the City Bank contract for the continued operation of the Electronic Benefit Transfer System, \$10.6 million Gross.</p> <p>d) Transferring-out benefit type federal dollars to Central Support Accounts appropriations unit. This amount was previously identified with client services system personnel, \$183,900 Gross.</p> <p>e) Transferring-out all remaining staff and funding in this line item to the newly established Department of Information Technology appropriation unit, 17.0 FTEs and \$12.7 million Gross.</p> <p>The Legislature concurred with the Executive proposal.</p>	(25.0)	(\$4,389,500)	(\$23,991,800)
<p>8. Data Systems Enhancement The Executive proposed transferring-out all funding and FTEs associated with this line to the newly established Department of Information Technology.</p> <p>The Legislature concurred with the Executive proposal.</p>	(23.0)	(\$9,271,100)	(\$22,026,400)

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>9. Child Support Automation The Executive proposed the following action:</p> <p>a) Approval of the FY 2001-02 supplemental appropriations bill first proposed by the Executive on November 6, 2001. Approval of the supplemental bill in effect requires this amount to be included in the base dollars for this program. This would allow the department to receive additional federal child support incentive funds as they become available. Please note that when these particular funds are received, they would be reclassified to state restrictive funds, \$6.1 million Gross.</p> <p>b) Reduction in this area in line with lower anticipated development costs, \$5.1 million Gross.</p> <p>c) Transferring-out contract type dollars to the Family Independence Services appropriations unit. Dollars were formerly earmarked as contract payments to Policy Studies Inc. in support of the development and implementation of the Child Support Enforcement System. Now funding will be used by the Office of Child Support for operational and system administrative purposes, \$5.6 million Gross.</p> <p>d) Economics - 2% for salaries plus an adjustment (as required) in the area of retirement, \$26,500 Gross (\$9,000 GF/GP).</p> <p>e) Reduction to Finance Economics. Overall proposal was made to identify savings to offset positive economics in d) above. Removing \$9,000 GF/GP.</p> <p>f) Fund source line adjustment to anticipated earnings level, \$449,400 less federal replaced by \$449,400 GF/GP.</p> <p>g) <i>Executive Budget Revision</i> recognizes the Executive's "revised" DIT recommendation which adjusted the amount and FTEs transferred to DIT. Here, operation staff and applicable dollars are being transferred to DIT, 15.0 FTEs, \$90.6 million Gross.</p> <p>h) <i>Executive Budget Revision</i> recognizes the Executive's "revised" DIT recommendation which adjusted the amount and FTEs transferred throughout the department. Here, office of collection services staff and applicable dollars are being transferred to Family Services appropriations unit, 13.0 FTEs, \$739,500 Gross.</p>	(28.0)	(\$28,274,800)	(\$96,210,600)

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>Child Support Automation ((Cont'd)</p> <p>i) <i>Executive Budget Revision</i> recognizes the Executive's "revised" DIT recommendation which adjusted the amount and FTEs transferred throughout the department. Here, the benefits associated with the office of collection services staff are being transferred to Central Support appropriations unit, \$276,100 Gross.</p> <p>The Legislature concurred with the Executive proposal.</p> <p>Note - boilerplate Sec. 413 (CSES contingency) adds \$8.8 million to this program.</p>	See	Previous	Page
<p>10. Child Support Distribution Computer System</p> <p>The Executive proposed the recognition of a 2% salary economic increase, \$8,000 Gross (\$2,700 GF/GP). Also proposed the removal of \$2,700 GF/GP associated with economics increase noted above. Finally, Executive proposed a fund source line adjustment to anticipated earning levels, \$12,900 less federal replaced by \$12,900 GF/GP.</p> <p>The Legislature concurred with the Executive proposal.</p>	0.0	\$12,900	\$5,300
<p>11. Supplemental Security Income Advocates, Salaries and Wages</p> <p>The Executive proposed recognition of a 2% salary economic increase, \$11,200 Gross (\$8,100 GF/GP). Also proposed the removal of \$8,100 GF/GP associated with economics increase noted above.</p> <p>The Legislature concurred with the Executive proposal.</p>	0.0	\$0.0	\$3,100
<p>12. Commission on Disability Concerns</p> <p>The Executive proposed recognition of a 2% salary economic increase, \$7,800 Gross (\$3,000 GF/GP). Also proposed the removal of \$3,000 GF/GP associated with economics increase noted above.</p> <p>The Legislature concurred with the Executive proposal.</p>	0.0	\$0	\$4,800

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>13. Commission for the Blind The Executive proposed the following action:</p> <p>a) Transferring-out computer related salaries and applicable FTEs to the newly established Department of Information Technology appropriations unit, 2.0 FTEs, \$122,900 Gross.</p> <p>b) Economics - 2% for salaries plus an adjustment (as required) in the area of retirement, \$78,200 Gross (\$18,400 GF/GP).</p> <p>c) Reduction to Finance Economics. Overall proposal was made to identify savings to offset positive economics within this same line. Removing \$18,400 GF/GP.</p> <p>d) Economics - for increased occupancy costs per DMB estimates, \$301,700 Gross (\$70,800 GF/GP).</p> <p>e) Adjusting fund source to reflect actual funding support levels. Historically, the Commission has received very little in the way of private funding and a proportionately larger amount of the federal funding. Here, \$500,000 of federal funding is added and the program is reduced by a similar amount of private funding.</p> <p>House: Concurred with Executive items a) - e) above and proposed changes below:</p> <p>f) Increasing funding in this area to help maintain current programs, \$10,000 GF/GP.</p> <p>g) Transferring-out funding for Youth Low Vision Program to separate line item, \$250,000 GF/GP.</p> <p>Senate: Concurred with items a) - g) above.</p>	0.0	\$212,500	\$1,400
<p>14. Youth Low Vision Program The Executive did not make a proposal in this area.</p> <p>The Legislature included the following:</p> <p>a) Creation of new line (for this existing program) by transferring-in funding from Commission for the Blind line, \$250,000 GF/GP.</p> <p>b) Increasing funding in this area to help maintain current services, \$10,000 GF/GP.</p>	0.0	\$260,000	\$260,000

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
FAMILY INDEPENDENCE SERVICES ADMINISTRATION			
<p>1. Salaries and Wages The Executive proposed the following action:</p> <p>a) Annualizing FTEs and applicable savings partially taken in Exe. Order #2001-9. Removing 12.0 FTEs, \$492,800 Gross (\$96,400 GF/GP).</p> <p>b) Transferring-out administrative type FTEs and funding to the newly established Department of Information Technology, 5.0 FTEs, \$258,000 Gross (\$85,200 GF/GP).</p> <p>c) Transferring-in wages and applicable FTEs from the Executive Operations appropriations unit. This amount was previously identified with technical support personnel for the old ASSIST system, 8.0 FTEs, \$484,000 Federal.</p> <p>d) Economics: increase of 2% for salaries, \$172,600 Gross (\$57,800 GF/GP).</p> <p>e) Reduction to Finance Economics. Overall proposal was made to identify savings to offset positive economics in d) above. Removing 1.5 FTEs and \$57,800 GF/GP.</p> <p>f) <i>Executive Budget Revision.</i> Chg #1 dated April 4, 2002 adjusting DIT recommendations made in item b) above. Here, 13.0 FTEs and \$726,500 Gross (\$247,000 GF/GP) was added back.</p> <p>The Legislature concurred with proposals above.</p>	2.5	\$65,400	\$574,500

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>2. Contractual Services, Supplies, and Materials The Executive proposed the following action:</p> <p>a) Transferring-in contract type dollars from the Executive Operations appropriations unit. Much of this amount will continue to be utilized for payments to City Bank for the continued operation of the Electronic Benefit Transfer System, \$10.6 million Gross (\$4.4 million GF/GP).</p> <p>b) Transferring-in contract type dollars from the Executive Operations appropriations unit. This amount was previously identified with former ASSIST personnel, \$9,000 Federal.</p> <p>c) Transferring-in contract type dollars from Executive Operations appropriations unit. Dollars were formerly earmarked as contract payments in support of the development and implementation of the Child Support Enforcement System. Now funding will be used by the Office of Child Support for operational and system administrative purposes, \$5.6 million Gross (\$1.9 million GF/GP).</p> <p>d) Transferring-out CSS&M funding to the newly established Department of Information Technology appropriations unit, \$5,000 Gross (\$2,100 GF/GP).</p> <p>e) Reducing funding in this area in line with anticipated expenditure levels, \$2.8 million Gross (\$1.0 million GF/GP).</p> <p>f) Executive Budget Revision, adjusting DIT recommendation made in item d) above. This adjustment retains authorization for the print center. Here, \$13,000 Gross (\$4,400 GF/GP) was added back.</p> <p>The Legislature concurred with proposals above.</p>	0.0	\$5,343,800	\$13,422,000
<p>3. Child Support Incentive Payments No Change.</p>	0.0	\$0	\$0
<p>4. Legal Support Contracts The Executive did not make a proposal in this area.</p> <p>The Legislature Increased federal authorization to receive funding for legal support contracts.</p>	0.0	\$0	\$10,000,000

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>5. Employment and Training Support Services The Executive proposed the following action:</p> <p>a) Rolling-up into this line all FTEs and applicable funding currently within the Project Zero line, 84.0 FTEs, \$12.1 million TANF.</p> <p>b) Transferring-in from the Child and Family Services appropriation unit \$500,000 TANF to fund "Family Formation Pilots". Funds transferred were previously used to fund the Child Well-Being Program.</p> <p>c) Reducing the Fatherhood Initiative program by \$500,000 TANF. This would lower the budgeted level for this program to \$500,000. However, FY 03 recommendation includes boilerplate language (sec. 413) which could restore funding for this program, providing child support penalty refund revenue becomes available.</p> <p>d) Eliminating funding for the TANF Innovation Grant program. The department believes that TANF funding which is limited in amount could be better utilized elsewhere. However, FY 03 recommendation includes boilerplate language (sec. 413) which could restore funding for this program, \$250,000, providing child support penalty refund revenue becomes available.</p> <p>e) Economics - 2% for salaries plus an adjustment (as required) in the area of retirement, \$45,300 Federal.</p> <p>The House agreed with items b) - d) above. However, did not agreed with the roll-up of the Project Zero line in item a) and accordingly, in item e) used applicable economics dollars in the Project Zero line.</p> <p>The Senate concurred with the House above and recommended the following: f) Removing \$150,000 TANF for the Marriage Initiative from this line item and transfers this authority to the FIP line. Also, Sec. 413 (CSES contingency refund) within the Senate version of the bill would restore this funding for the Marriage Initiative program.</p> <p>In Conf, the House proposal was adopted. Note – In the enacted bill, boilerplate section 413 would restore \$500,000 for the Fatherhood Initiative reduced in c) above, contingent upon the State receiving from the federal government reimbursement of previously paid penalty dollars applicable to the state's inability to secure federal certification for the child support enforcement system (CSES). Providing CSES is found to be certifiable, the State of Michigan should receive reimbursement of approximately \$34.8 million.</p>	0.0	\$0	(\$250,000)

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>6. Project Zero The Executive proposed rolling-up the content of this line item into the Employment and Training support Services line within this same appropriation unit.</p> <p>The Legislature did not concur with this proposal and decided to maintain this account as a separate line item and included salary related TANF economics.</p>	0.0	\$0	\$45,300
<p>7. Wage Employment Verification Reporting No Change.</p>	0.0	\$0	\$0
<p>8. Urban and Rural Empowerment Zones No Change.</p>	0.0	\$0	\$0
<p>9. Training and Staff Development The Executive proposed the following action:</p> <p>a) Removing federal funding applicable to Exe. Order #2001-9, \$452,000 federal.</p> <p>b) Economics - 2% for salaries plus an adjustment (as required) in the area of retirement, \$50,000 Gross (\$17,800 GF/GP).</p> <p>c) Reduction to Finance Economics. Overall proposal was made to identify savings to offset positive economics in b) above. Removing \$17,800 GF/GP.</p> <p>d) Executive Budget Revision. Chg #1 dated April 4, 2002 adjusting DIT recommendations. Here, training staff and applicable dollars are being transferred to DIT, 3 FTEs, \$201,000 Gross (\$70,300 GF/GP).</p> <p>The Legislature concurred with proposals above.</p>	(3.0)	(\$70,300)	(\$621,000)

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>10. Community Services Block Grant The Executive proposed the following action:</p> <p>a) Adding federal authority in order to capture anticipated increased federal funding, \$2.6 million Federal.</p> <p>b) Removing a portion of TANF funding for this line, \$650,000. It's anticipated that the increased funding noted in a) above will more than offset this amount. However, FY 03 budget includes boilerplate language (sec. 413) which could restore funding for this program. Please see note 2 below.</p> <p>The Legislature concurred with proposals above.</p> <p>Note1: Michigan Community Action Agencies (CAAs) are funded out of this line. The agencies also receive funding from various other sources within the FIA budget and from at least 1 source within the Department of Consumers and Industry (CIS). FY 2002 funding from all sources within the FIA (as adjusted by Exe. Order 2001-9) totaled \$42.8 million. Proposed FY 2003 funding from all sources within FIA is approximately \$44.3 million.</p> <p>Note 2: Sec. 413 would restore this \$650,000 of funding to the Community Action Agencies, providing child support penalty refund revenue becomes available.</p>	0.0	\$0	\$1,950,000

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
CHILD AND FAMILY SERVICES			
<p>1. Salaries and Wages The Executive proposed the following action:</p> <p>a) Transferring-in funding (\$136,800 Gross, \$57,900 GF/GP) and positions (3 FTEs) from Juvenile Justice Operations for additional monitors of private child placing agency contracts to insure Title IV-E regulation compliance.</p> <p>b) Economics - 2% for salary economic increase of \$37,300 Gross (\$26,200 GF/GP).</p> <p>c) Staff reduction of 1.0 FTE to finance economics identified in b) above. Removing \$26,200 GF/GP.</p> <p>The Legislature concurred with the proposals.</p>	2.0	\$57,900	\$147,900
<p>2. Contractual Services, Supplies, and Materials The Legislature recognized savings in this area in order to utilize elsewhere in the Department.</p>	0.0	(\$26,000)	(\$26,000)
<p>3. Refugee Assistance Program The Executive recommended the following action:</p> <p>a) Adding Federal authority to cover anticipated increase in costs due to number of unaccompanied minors from Sudan and growing refugee medical costs, \$5.4 million Gross.</p> <p>b) Economics - 2% for salaries plus an adjustment (as required) in the area of retirement, \$3,800 Federal.</p> <p>c) Executive Budget Revision. Chg #1 dated April 4, 2002 adjusting original DIT recommendation. Here, FTEs (1.0 FTE) and applicable dollars (\$49,200 Federal) are being transferred to DIT. Note - this amount represents a portion of the transfer.</p> <p>The Legislature concurred with the proposal.</p>	(1.0)	\$0	\$5,305,000

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>4. Foster Care Payments The Executive recommended the following action:</p> <p>a) State Ward Board Care (SWBC) caseload increase of 120 to 2,130 in FY 2003, \$2.7 million Gross (\$1.3 million GF/GP). Includes \$22,126 average annual cost per case.</p> <p>b) Title IV-E caseload decrease of 1,248 to 4,700 in FY 2003, \$24.9 million Gross (\$11.1 million GF/GP). Includes \$19,956 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>c) Removing excess federal and local authority, \$15.0 million Gross.</p> <p>d) Federal Medical Assistance Percentage (FMAP) changes from 56.36% to 55.42%, requiring a reduction in federal authority and an increase in GF/GP authority, \$847,400.</p> <p>The Legislature concurred with items c) - d) above, adjusted item a) to a caseload of 2,064 (\$1.4 million Gross, \$701,500 GF/GP) and item b) to a caseload of 4,845 (\$21.7 million Gross, \$9.7 million GF/GP), and included funding for a 6 month, 1% rate increase for child placing agencies and residential treatment facilities, \$468,800 Gross (\$231,500 GF/GP).</p> <p>Note: Funding for the 6 month, 1% increase identified above subsequently vetoed by the Governor (not reflected in change column amounts).</p>	0.0	(\$7,897,100)	(\$34,838,100)

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>5. Wayne County Foster Care Payments The Executive recommended the following action:</p> <p>a) State Ward Board Care caseload reduction of 310 to 1,380 in FY 2003, \$5.5 million Gross (\$2.7 million GF/GP). Includes \$17,655 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) Title IV-E caseload decrease of 852 to 3,600 in FY 2003, \$15.2 million Gross (\$6.8 million GF/GP). Includes \$17,801 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>c) Removing excess federal authority, \$5.0 million Gross.</p> <p>d) Federal Medical Assistance Percentage (FMAP) changes from 56.36% to 55.42%, requiring a reduction in federal authority and an increase in GF/GP authority, \$469,300.</p> <p>The Legislature concurred with items c) - d) above, adjusted item a) to a caseload of 1,623 (\$4.6 million Gross, \$2.3 million GF/GP) and item b) to a caseload of 3,446 (\$18.5 million Gross, \$8.3 million GF/GP), and included funding for a 6 month, 1% rate increase for child placing agencies and residential treatment facilities, \$371,800 Gross (\$183,700 GF/GP).</p> <p>Note: Funding for the 6 month, 1% increase identified above subsequently vetoed by the Governor (not reflected in change column amounts).</p>	0.0	(\$9,893,600)	(\$27,730,600)
<p>6. Adoption Subsidies The Executive recommended the following action:</p> <p>a) Title IV-E caseload increase to 21,400 at an estimated average annual cost per case of \$8,124 and TANF caseload increase to 3,100 at an estimated average annual cost per case of \$7,728, \$26.6 million Gross (\$9.8 million GF/GP).</p> <p>b) Federal Medical Assistance Percentage (FMAP) changes from 56.36% to 55.42%, requiring a reduction in federal authority and an increase in GF/GP authority, \$1.4 million.</p> <p>The Legislature concurred with the proposals above.</p>	0.0	\$11,210,700	\$26,581,500

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>7. Adoption Support Services The Executive recommended the following action:</p> <p>a) Increase in federal authority needed in the account based on FY 2001 actual expenditures, \$1.0 million Gross.</p> <p>b) Increase due to growth in the number of adoptions, \$975,000 Gross (\$487,500 GF/GP).</p> <p>c) Economics - 2% for salaries plus an adjustment (as required) in the area of retirement, \$6,000 Gross (\$3,000 GF/GP).</p> <p>d) Reduction to Finance Economics. Overall proposal was made to identify savings to offset positive economics in c) above. Removing \$3,000 GF/GP.</p> <p>The Legislature concurred with items a) - d) above, and included funding for a 6 month, 1% rate increase for child placing agencies, \$31,800 Gross (\$15,900 GF/GP).</p> <p>Note: Funding for the 6 month, 1% increase identified above subsequently vetoed by the Governor (not reflected in change column amounts).</p>	0.0	\$503,400	\$2,009,800
<p>8. Youth in Transition The Executive proposed the following action:</p> <p>a) Economics - 2% for salaries plus an adjustment (as required) in the area of retirement, \$8,700 Gross (\$2,800 GF/GP).</p> <p>b) Reduction to Finance Economics. Overall proposal was made to identify savings to offset positive economics in a) above. Removing \$2,800 GF/GP.</p> <p>The Legislature concurred with the proposals.</p>	0.0	\$0	\$5,900
<p>9. Interstate Compact No Change.</p>	0.0	\$0	\$0
<p>10. Children's Benefit Fund Donations No Change.</p>	0.0	\$0	\$0

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>11. Domestic Violence Prevention and Treatment The Executive proposed the following action:</p> <p>a) Economics - 2% for salaries plus an adjustment (as required) in the area of retirement, \$11,100 Gross (\$900 GF/GP).</p> <p>b) Reduction to Finance Economics. Overall proposal was made to identify savings to offset positive economics in a) above. Removing \$900 GF/GP.</p> <p>The Legislature concurred with the proposals.</p>	0.0	\$0	\$10,200
<p>12. Teenage Parent Counseling The Executive proposed the following action:</p> <p>a) Economics - 2% for salaries plus an adjustment (as required) in the area of retirement, \$3,000 Gross (\$1,100 GF/GP).</p> <p>b) Reduction to Finance Economics. Overall proposal was made to identify savings to offset positive economics in a) above. Removing \$1,100 GF/GP.</p> <p>The Legislature concurred with the proposals.</p>	0.0	\$0	\$1,900

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>13. Family Preservation and Prevention Services The Executive proposed the following action:</p> <p>a) Removing remaining funding for Child Advocacy Centers, \$78,400 GF/GP.</p> <p>b) Eliminating the Child Well-Being Program (\$1.0 million TANF) and transferring-out \$500,000 to Employment and Training Support Services for Family Formation Pilots.</p> <p>c) Removing funding for the Created for Caring contract, \$112,500 TANF.</p> <p>d) Economics - 2% for salaries plus an adjustment (as required) in the area of retirement, \$24,500 Gross (\$7,300 GF/GP).</p> <p>e) Reduction to Finance Economics. Overall proposal was made to identify savings to offset positive economics in d) above. Removing \$7,300 GF/GP.</p> <p>The House concurred with items a) – e) above and included a \$100 Aplace holder@ for Child Advocacy Centers.</p> <p>The Senate concurred with items a), b), d), e) above and modified c) by adding funds for a total of \$250,000 to support Created for Caring.</p> <p>The Legislature in conference did not include funding for Child Advocacy Centers and included a total of \$150,000 TANF to support Created for Caring.</p> <p>Note: Funding for Created for Caring subsequently vetoed by the Governor (not reflected in change column amounts).</p>	0.0	(\$78,500)	(\$1,023,800)
<p>14. Black Child and Family Institute No Change.</p>	0.0	\$0	\$0
<p>15. Rape Prevention and Services No Change.</p>	0.0	\$0	\$0
<p>16. Children's Trust Fund Administration The Executive proposed recognition of a 2% economic increase for salaries plus adjustment (as required) in the area of retirement, \$4,400 Gross. The Legislature concurred with the proposal and included private authority, \$20,700.</p>	0.0	\$0	\$25,100

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
17. Children's Trust Fund Grants No Change.	0.0	\$0	\$0
18. Attorney General Contract The Executive proposed the following action: a) Economics - 2% for salaries plus an adjustment (as required) in the area of retirement, \$43,400 Gross (\$21,100 GF/GP). b) Reduction to Finance Economics. Overall proposal was made to identify savings to offset positive economics in a) above. Removing \$21,100 GF/GP. The Legislature concurred with the proposals.	0.0	\$0	\$22,300
19. Guardian Contract No Change.	0.0	\$0	\$0
20. County Shelters The Executive recommended the elimination of this line due to no utilization of federal pass-through. The Legislature concurred with the recommendation.	0.0	\$0	(\$300,000)
21. Prosecuting Attorney Contract No Change.	0.0	\$0	\$0

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
JUVENILE JUSTICE SERVICES			
<p>1. Child Care Fund The Executive recommended the following action:</p> <p>a) 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, \$28.6 million Gross (\$26.3 million GF/GP).</p> <p>b) Shifting funding authority by transferring-out GF/GP to the Juvenile Justice Operations line item and transferring-in an equal amount of TANF from the account, \$0 Gross (\$3.5 million GF/GP).</p> <p>The Legislature concurred with the proposals above.</p> <p>Note: Boilerplate section 413 would add funding as needed to this line providing child support penalty refund revenue becomes available.</p>	0.0	\$22,800,000	\$28,600,000
<p>2. Child Care Fund Administration The Executive recommended the following action:</p> <p>a) Eliminating local funding authority and replaced with GF/GP, \$0 Gross (\$5,000 GF/GP).</p> <p>b) Economics - 2% for salaries plus an adjustment (as required) in the area of retirement, \$6,600 GF/GP.</p> <p>c) Reduction to Finance Economics. Overall proposal was made to identify savings to offset positive economics in b) above. Removing \$6,600 GF/GP.</p> <p>The Legislature concurred with the proposals.</p>	0.0	\$5,000	\$0

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>3. Juvenile Justice Operations The Executive recommended the following action:</p> <p>a) Removing FTEs associated with the FY 2002 Maxey bed reduction in the Executive Order, 25.0 FTEs.</p> <p>b) Removing FTEs and local chargeback authority associated with the FY 2002 Executive Order hiring freeze savings, 94.0 FTEs, \$517,500 Local.</p> <p>c) Annualizing the FY 2002 hiring freeze savings, removing associated FTEs and funding authority, 18.0 FTEs, \$1.1 million Gross (\$610,700 GF/GP).</p> <p>d) Removing additional FTEs and funding authority due to Genesee Valley Regional Center (GVRC) closure, 24.0 FTEs, \$1.8 million Gross (\$923,000 GF/GP).</p> <p>e) Retaining a portion of the GVRC savings to cover closing costs, \$250,000 GF/GP.</p> <p>f) Retaining a portion of the GVRC GF/GP savings, along federal authority, to support additional foster care staff needed to monitor contracts, 3.0 FTEs, \$188,800 Gross (\$79,900 GF/GP).</p> <p>g) Transferring-out funding and positions to support additional foster care staff needed to monitor contracts, 3.0 FTEs, \$188,800 Gross (\$79,900 GF/GP).</p> <p>h) Removing additional FTEs and funding authority related to Maxey bed reduction based on FY 2002 facility allocation, 110.0 FTEs, \$8.7 million Gross (\$4.3 million GF/GP).</p> <p>i) Shifting funding authority by transferring-out TANF to the Child Care Fund line item and transferring-in an equal amount of GF/GP from the account, \$0 Gross (\$3.5 million GF/GP).</p> <p>j) Removing one-time funding for new building at Maxey Training School, \$1.0 million Gross (\$504,300 GF/GP).</p> <p>k) Adding private funding authority due to collection of computer user fees to support the new Juvenile Justice On Line Technology (JJOLT) system, \$600,000 Private.</p>	(274.0)	(\$2,356,100)	(\$11,649,800)

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>Juvenile Justice Operations ((Cont'd)</p> <p>l) Economics - 2% for salaries plus an adjustment (as required) in the area of retirement, \$629,200 Gross (\$314,600 GF/GP).</p> <p>m) Staff Reduction to Finance Economics. Overall proposal was made to identify GF/GP savings in targeted lines in order to offset positive economics within that same line. However, in some cases (such as here) GF/GP was not totally removed, but the remaining GF/GP was offset by other lines within the department. Removing 1.0 FTE and \$60,700 GF/GP.</p> <p>n) Economics - 3.0% food/utilities increase to cover costs at state facilities, \$124,200 Gross (\$62,200 GF/GP).</p> <p>o) Executive Budget Revision. Chg #1 dated April 4, 2002 adjusting DIT recommendation to reflect the transfer-out of FTEs and other required funding to DIT, 2.0 FTEs, \$115,200 Gross (\$57,600).</p> <p>The Legislature concurred with the proposals.</p> <p>Note: Day treatment funding (\$1.0 million GF/GP) subsequently vetoed by the Governor (not reflected in change column amounts).</p>	See	Previous	Page
<p>4. Federally Funded Activities The Executive proposed recognition of a 2% economic increase for salaries plus an adjustment (as required) in the area of retirement, \$4,400 Federal.</p> <p>The Legislature concurred with the proposal.</p>	0.0	\$0	\$4,400
<p>5. Maxey Memorial Fund No Change.</p>	0.0	\$0	\$0
<p>6. Juvenile Accountability Incentive Block Grant The Executive recommended the following action:</p> <p>a) Adding federal authority based on anticipated funding available, including interest earnings, \$690,500 Federal.</p> <p>b) Economics - 2% for salaries plus an adjustment (as required) in the area of retirement, \$4,600 Gross (\$500 GF/GP).</p> <p>c) Reduction to Finance Economics. Overall proposal was made to identify savings to offset positive economics in b) above. Removing \$500 GF/GP.</p> <p>The Legislature concurred with the proposals.</p>	0.0	\$0	\$694,600

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
7. Juvenile Boot Camp Program No change.	0.0	\$0	\$0
8. Committee on Juvenile Justice Administration The Executive recommended the following action: a) Economics - 2% for salaries plus an adjustment (as required) in the area of retirement, \$5,000 Gross (\$2,300 GF/GP). b) Reduction to Finance Economics. Overall proposal was made to identify savings to offset positive economics in a) above. Removing \$2,300 GF/GP. The Legislature concurred with the proposals.	0.0	\$0	\$2,700
9. Committee on Juvenile Justice Grants No change.	0.0	\$0	\$0

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
LOCAL OFFICE STAFF AND OPERATIONS			
<p>1. Field Staff Salaries and Wages The Executive proposed the following:</p> <p>a) Removing federal funding and FTEs applicable Exe. Order #2001-9, 150.0 FTEs, \$4.6 million Federal.</p> <p>b) Annualizing savings & FTEs partially taken in Exe. Order #2001-9, 150.0 FTEs, \$6.2 million Gross (\$2.1 million GF/GP).</p> <p>c) Economics: increase of 2% for salaries, \$4.2 million Gross (\$1.6 million GF/GP).</p> <p>d) Staff Reduction to Finance Economics. Overall proposal was made to identify GF/GP savings in targeted lines in order to offset positive economics within that same line and in some cases (such as here), to offset positive economics elsewhere within the appropriations unit. Overall... this amount as proposed would achieve the stated goal. Removing 36.5 FTEs, \$1.7 million GF/GP.</p> <p>e) Executive Budget Revision. Chg #1 dated April 4, 2002 adjusting original DIT recommendation. Here, field staff and applicable dollars are being transferred to DIT, 47.0 FTEs, \$2.1 million Gross, \$0.7 million GF/GP.</p> <p>The Legislature concurred with proposals above.</p>	(383.5)	(\$2,974,800)	(\$10,374,300)
<p>2. Contractual Services, Supplies, and Materials The Executive proposed the following:</p> <p>a) Removing federal CSS&M funding applicable to Exe. Order #2001-9, \$1.5 million Federal.</p> <p>b) Executive Budget Revision. Chg #1 dated April 4, 2002 adjusting DIT recommendation. Here, contract dollars are being transferred to DIT, \$125,000 Gross (\$42,500 GF/GP).</p> <p>The Legislature concurred with proposals above.</p>	0.0	(\$42,500)	(\$1,580,900)
<p>3. Outstationed Eligibility Workers The Executive proposed recognition of economics totaling 2% for salaries plus an adjustment (as required) in the area of retirement, \$59,000 Gross (\$29,500 Private).</p> <p>The Legislature concurred with proposal above.</p>	0.0	\$0	\$59,000

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>4. Food Stamp Reinvestment (New Line) The Executive proposed establishing and funding this line. Funds will be used to continue studies, programs, and procedures to reduce the food stamp error rate. Errors above the average number of errors for all states would in all likelihood lead to additional penalties in this area, which the state of Michigan would like to avoid.</p> <p>The Legislature concurred with proposal above.</p>	0.0	\$5,700,000	\$5,700,000
<p>5. Wayne County Gifts and Bequests No change.</p>	0.0	\$0	\$0
<p>6. Volunteer Services and Reimbursement The Executive proposed the following:</p> <p>a) Economics - 2% for salaries plus an adjustment (as required) in the area of retirement, \$55,600 Gross (\$16,100 GF/GP).</p> <p>b) Reduction to Finance Economics. Overall proposal was made to identify GF/GP savings in targeted lines in order to offset positive economics within that same line and in some cases (such as here), to offset positive economics elsewhere within the appropriations unit. Overall... this amount as proposed would achieve the stated goal. Removing \$15,800 GF/GP.</p> <p>The Legislature concurred with proposals above.</p>	0.0	\$300	\$39,800

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
DISABILITY DETERMINATION SERVICES			
<p>1. Disability Determination Operations The Executive recommended the following action:</p> <p>a) Economics - 2% for salaries plus an adjustment (as required) in the area of retirement, \$539,100 Federal.</p> <p>b) Economics - building occupancy and workers' compensation, \$455,300 Gross (\$19,700 GF/GP).</p> <p>c) Executive Budget Revision. Chg #1 dated April 4, 2002 adjusting original DIT recommendation. Here, FTEs and applicable dollars are being transferred to DIT, 8.0 FTEs, \$430,900 Federal.</p> <p>The Legislature concurred with the above proposals.</p>	(8.0)	\$19,700	\$563,500
<p>2. Medical Consultation Program The Executive recommended the following action:</p> <p>a) Economics - 2% for salaries plus an adjustment (as required) in the area of retirement, \$18,700 Gross (\$13,200 GF/GP).</p> <p>b) Reduction to Finance Economics. Overall proposal was made to identify savings to offset positive economics in a) above. Removing \$13,200 GF/GP.</p> <p>The Legislature concurred with the above proposals.</p>	0.0	\$0	\$5,500
<p>3. Retirement Disability Determination The Executive recommended the following action:</p> <p>a) Eliminating unearnable federal authority from the line item and replace with IDG authority, \$0 Gross (\$9,200).</p> <p>b) Economics - 2% for salaries plus an adjustment (as required) in the area of retirement, \$4,300 IDG.</p> <p>The Legislature concurred with the above proposals.</p>	0.0	\$0	\$4,300

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
CENTRAL SUPPORT ACCOUNTS			
<p>1. Rent The Executive recommended the following action:</p> <p>a) Removing \$541,700 of federal funding applicable to Exe. Order #2001-9.</p> <p>b) Economics - decrease in rental costs based on a DMB estimate, \$313,900 Gross (\$150,700 GF/GP).</p> <p>The Legislature concurred with the recommendations.</p>	0.0	(\$150,700)	(\$855,600)
<p>2. Occupancy Charges The Executive recommended an economic base decrease of \$1,385,800 Gross (\$650,400 GF/GP) in this area.</p> <p>The Legislature concurred with this recommendation.</p>	0.0	(\$650,400)	(\$1,385,800)
<p>3. Grand Tower Facilities Reimbursement (New Line) The Executive recommended establishing and funding this line. Funds will be used to service the bond debt associated with the purchase of the Grand Tower. Authorization is required in order to claim federal funds.</p> <p>The Legislature concurred with this recommendation.</p> <p>Note: Payments from this account are made to the State Building Authority.</p>	0.0	\$752,500	\$2,150,000
<p>4. Travel The Executive recommended the following action:</p> <p>a) Removing \$331,400 of federal funding applicable to Exe. Order #2001-9.</p> <p>b) Transferring-out travel related costs to the newly established Department of Information Technology appropriations unit, \$110,000 Gross (\$36,400 GF/GP).</p> <p>The Legislature concurred with the recommendations.</p>	0.0	(\$36,400)	(\$441,400)

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>5. Equipment The Executive recommended the following action:</p> <p>a) Removing \$239,300 of federal funding applicable to Exe. Order #2001-9.</p> <p>b) Transferring-out equipment related costs to the newly established Department of Information Technology appropriations unit, \$775,000 Gross (\$215,500 GF/GP).</p> <p>The Legislature concurred with the recommendations.</p>	0.0	(\$215,500)	(\$1,014,300)
<p>6. Workers' Compensation The Executive recommended the following action:</p> <p>a) Economics - a Worker's Compensation increase based upon an estimate by DMB risk management operations, \$196,000 Gross (\$92,100 GF/GP).</p> <p>b) Executive Budget Revision. Chg #1 dated April 4, 2002 adjusting original DIT recommendation. Here, workers' compensation dollars are being transferred to DIT, \$51,400 Gross (\$19,600 GF/GP).</p> <p>The Legislature concurred with the recommendations.</p>	0.0	72,500	\$144,600
<p>7. Advisory Commission No Change.</p>	0.0	\$0	\$0

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>8. Payroll Taxes and Fringes The Executive recommended the following changes in this area:</p> <p>a) Removing \$1.9 million of federal funding applicable to Exe. Order #2001-9.</p> <p>b) Annualizing savings partially taken in Exe. Order #2001-9, \$2.8 million Gross (\$1.0 million GF/GP).</p> <p>c) Recognition of savings which reflects the end of the 5 year payout period for leave balances of employees who retired in 1997 under the early retirement initiative, \$2.2 million Gross (\$1.0 million GF/GP).</p> <p>d) Transferring-in federal benefit dollars from the Executive Operations appropriations unit. This amount was previously identified with the client services system personnel, \$183,900 Federal.</p> <p>e) Transferring-in benefit dollars from the Juvenile Justice Services (JJS) appropriations unit. Amount was previously identified with JJS personnel but now will be used to support new foster care staff, \$52,000 Gross (\$22,000 GF/GP).</p> <p>f) Transferring-out Fringe Benefit costs to the newly established Department of Information Technology appropriations unit, \$5.3 million Gross (\$1.9 million GF/GP).</p> <p>g) Increasing federal authorization within this line by \$20.8 million, the level spent in FY 2001.</p> <p>h) Economics - increase in the area of retirement. Adjustments were made in order to maintain the following percentages: 20.33% of salaries for employees in the defined benefit plan and 22.35% of salaries for employees in the defined contribution plan, \$1.8 million Gross (\$706,400 GF/GP).</p> <p>i) Reduction to Finance Economics. Overall proposal was made to identify GF/GP savings within a targeted line in order to offset positive economics within that same line. The proposed amount would achieve the stated goal, \$706,400 GF/GP.</p> <p>j) <i>Executive Budget Revision.</i> Chg #1 dated April 4, 2002 adjusting original DIT recommendation. Here, fringe benefit dollars are being transferred to DIT, \$91,600 Gross (\$34,500 GF/GP).</p> <p>The Legislature concurred with these recommendations.</p>	0.0	(\$3,821,400)	\$9,908,900

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
PUBLIC ASSISTANCE			
<p>1. Family Independence Program</p> <p>The Executive recommended a net increase in this area of \$71.6 million Gross, \$20.0 million GF/GP, which consists of additional funding for expanding assistance caseloads by 17,100 cases (to a budgeted level of 92,100 cases), offset partially by a \$50 per child reduction in the clothing allowance paid annually to qualifying families. The new clothing allowance level would be \$25 per child; however, the proposal includes budget boilerplate restoring the \$50 per child reduction with child support penalty refund, if available.</p> <p>The House recommended the same net increase as the Executive, but chose to reach its number a different way. Recommended a caseload increase of 16,165 cases (935 less than Executive) to a budgeted level of 91,165 cases. This adjustment would save \$4.3 million in TANF funding. This savings of \$4.3 million would then be used to restore half of the reduction in school clothing allowance recommended by the Executive, raising the annual allowance to \$50 per child. Budget boilerplate restoring the remaining \$25 per child allowance with funding from the child support penalty refund remains within the bill.</p> <p>The Senate recommended a net increase in this area of \$72.0 million Gross, \$23.2 million GF/GP, which included adding 15,065 cases (to a budgeted level of 90,065 cases), and restoring the children clothing allowance to \$75 per child. In addition, within boilerplate section 413, there is an opportunity to add yet another \$2.2 million for the clothing allowance, utilizing funding from the anticipated child support penalty refund.</p> <p>In Conference, agreement was reached to add \$24.4 million Gross (\$20.0 million GF/GP), which includes adding 4,700 cases (to attain a final budgeted level of 79,700 cases at \$389/month/case), and agreed with the Executive to reduce the annual clothing allowance by \$50 to a level of \$25 per child. Finally, the bill restores in boilerplate (section 413) another \$25 per child in clothing allowance utilizing funding from the child support penalty refund, if ultimately received.</p> <p>Note - Boilerplate section 413 would also add funding as needed to this line providing child support penalty refund revenue becomes available.</p>	0.0	\$20,000,000	\$24,439,600

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>2. State Disability Assistance Payments The Executive proposed adding \$2.5 million as a result of higher projected SDA caseloads for FY 2003. Caseload level for FY 2003 is estimated at 7,900 cases which is up 900 cases from the FY 2002 budget level. The budgeted amount per case remains at \$233.54 per month.</p> <p>The Legislature concurred with the Executive's recommendation.</p> <p>Note - Boilerplate section 413 would add funding as needed to this line providing child support penalty refund revenue becomes available.</p>	0.0	\$2,522,300	\$2,522,300
<p>3. State Supplementation The Executive proposed the recognition of \$610,500 in savings in this area in order to effectively zero-out the remaining budgetary savings first identified in the FY02 supplemental budget bill. Also proposed transferring \$241,000 to the State Supplementation Administrative line to cover increased administrative costs in that area. Finally, proposed reducing funding by \$943,800 in line with anticipated expenditure levels</p> <p>The Legislature concurred with the Executive's proposals and recognized \$100,000 of additional savings to be utilized for programs elsewhere in the department.</p>	0.0	(\$1,895,300)	(\$1,895,300)
<p>4. State Supplementation Administration The Executive proposed transferring-in from the State Supplementation program line additional funds required to cover increased administrative costs of this program. The Legislature concurred with the Executive's proposal.</p>	0.0	\$241,000	\$241,000

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>5. State Emergency Relief The Executive recommended the following:</p> <p>a) Consistent with Exe. Order #2001-9, it was recommended that the remaining federal base funding applicable to non-energy related emergency repairs be removed, \$382,500 Federal.</p> <p>b) Consistent with Exe. Order #2001-9, it was recommended that the remaining federal base funding applicable to reduced indigent burial funding be removed, \$83,600 Federal.</p> <p>c) Annualizing non-energy related emergency repairs savings partially taken in Exe. Order #2001-9. Funds were previously earmarked for use by Community Action Agencies, \$500,000 GF/GP.</p> <p>d) Annualizing indigent burial savings partially taken in Exe. Order #2001-9, \$418,800 Gross (\$389,500 GF/GP). Burial rate for FY 2003 is recommended at the final FY 2002 level of \$1,114 per burial, distributed as follows: \$710 for funeral directors, \$234 for cemeteries or crematoriums; and \$170 for the provider of the vault. See boilerplate sec. 613.</p> <p>e) Restoring funds reduced in Exe. Order #2001-9 for the Arab/Chaldean program (\$735,000) and ACCESS program (\$485,000). New funding will consist of \$610,000 GF/GP and \$610,000 Federal.</p> <p>f) Adding \$7.7 million TANF to cover increased program usage in the areas of emergency house and rent payments, taxes and utilities. Amount brings the federal authorization level to the amount spent in FY01 and then adds 10% for FY02 and FY03.</p> <p>g) Transferring-in to this line (from the Day Care Services line) funding for the Evangeline program. The funding covers shelter and child day care payments for children whose parents are in drug treatment programs, \$90,000 Federal.</p> <p>h) Eliminating 2 unused FTE positions.</p> <p>House: Concurred with Executive in items a) - h) above, and added item i) below.</p> <p>i) Recommended adding \$1.6 million GF/GP in the area of Indigent Burial, raising the maximum allowable charge limit for indigent burials by \$197 to \$1,311 per burial.</p>	(2.0)	(\$879,500)	\$7,049,700

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>State Emergency Relief ((Cont'd)</p> <p>Senate: Concurred with House in items a) - h) above. In addition, a Senate floor amendment added \$100 GF/GP to item i) in order to create an item of difference</p> <p>In Conference the following was decided:</p> <ol style="list-style-type: none"> 1) Not to increase funding in the area of indigent burial item i) on previous page. 2) In line with the target agreement, eliminated \$600,000 GF/GP of the increase identified for multicultural assimilation in item e) on the previous page. However, boilerplate (Sec. 268) was added that states that this particular funding will be restored if the Legislature passes a 30 cent per pack cigarette tax increase by September 30, 2002. Note - the tax increase was enacted under HB 5248 on 07/08/02 accordingly this \$600,000 is effectively restored. 	See	Previous	Page
<p>6. Food Assistance Program Benefits</p> <p>The Executive recommended adding \$88.5 million Federal to fund anticipated increased participation in the federal food assistance program. Executive projects the caseload to increase by 47,300 cases for FY 2003, to a budget level of 374,700 cases. Increase is due to program outreach and the effects of a slowing economy.</p> <p>The House added an additional 38,500 cases (\$131.7 million federal) to the Executive's recommendation, raising the budgeted caseload level to 413,200. In addition, the House increased the projected monthly cost per case by \$12 to \$168 per case.</p> <p>The Senate concurred with House.</p>	0.0	\$0	\$220,192,900
<p>7. Low Income Energy Assistance Program</p> <p>The Executive recommended the following:</p> <ol style="list-style-type: none"> a) Recognition of projected federal LIHEAP award increase, \$18.9 million Federal. Projection of LIHEAP award is required because Michigan generally does not received final LIHEAP allocation from Health and Human Services until well after the state budget deliberations have been completed. b) Economics - 2% for salaries plus an adjustment (as required) in the area of retirement, \$8,600 Federal. <p>The Legislature concurred with the Executive's recommendation.</p>	0.0	\$0	\$18,956,300

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>8. Weatherization Assistance No Change.</p>	0.0	\$0	\$0
<p>9. Traditional Work Support The Executive did not recommend changes in this area.</p> <p>The House recognized savings of \$5.0 million in order to partially restore funding in the Before and After School program. However, the House included language in Sec. 413 to restore the \$5.0 million if child support enforcement system refund is received.</p> <p>The Senate recognized an additional \$3.0 million in savings, using all \$8.0 million to restore lost funding in the before and after school program. The Senate also included language in Sec. 413 to restore the full \$8.0 million if child support enforcement system refund is received.</p> <p>In Conference it was agreed to transfer \$10.0 million out of this program into Day Care Services to fund the Before and After School program. Note - boilerplate Sec. 413 (CSES contingency) restores \$3.0 million to this program if child support enforcement system refund is received.</p>	0.0	(\$10,000,000)	(\$10,000,000)
<p>10. Homestead Property Tax Credit for Low Income Families The Executive recommended no longer utilizing \$27.0 million of TANF funding to pay Homestead Property Tax Credit to qualifying Michigan citizens. This change is in response to a new federal regulation prohibiting the usage of TANF for this purpose.</p> <p>Initially, both the House and the Senate concurred with the Executive's recommendation.</p> <p>The following adjustment was made in Conference. A Target Agreement was reached which identified \$50.0 million (Fed) to be received from the Department of Career Development. This \$50.0 million is to be utilized in the area of Homestead Property Tax payments.</p>	0.0	\$0	\$23,000,000

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>11. Day Care Services The Executive proposed the following action:</p> <p>a) Shifting \$15.3 million GF/GP from other accounts into Day Care Services making available additional Child Care Development Fund (CCDF) match and reducing TANF spending by \$39.3 million.</p> <p>b) Transferring-out to State Emergency Relief line funding for the Evangeline program. The funding covers shelter and child day care payments for children whose parents are in drug treatment programs, \$90,000 Federal.</p> <p>c) Adding \$23.0 million GF/GP to draw additional available federal CCDF matching revenue and reduce TANF spending by \$58.6 million.</p> <p>d) Eliminating base funding of \$10.0 million (TANF) for the Before- and After-School program.</p> <p>Included language in Sec. 413 to restore the \$10.0 million if child support enforcement system refund is received.</p> <p>The Legislature concurred with items a) - c) above, but maintained gross base funding (\$10.0 million) for the Before and After School Program by adding GF/GP to the line from Transitional Work Support. In addition, the Legislature agreed to adjust the caseload number for this program to a level of 65,000 cases at a cost of \$573 per month. In order to fund this agreement, \$5.6 million of TANF funding was added.</p> <p>Note: The Governor vetoed \$100,000 Federal to develop a community-based child care pilot program (not reflected in change column amounts).</p>	0.0	\$48,275,400	\$5,510,000

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
INFORMATION TECHNOLOGY			
<p>1. Information Technology Services and Projects The Executive recommended the creation of this line within the new appropriation unit and proposed the following action:</p> <p>a) Transferring-in technical type personnel and related funding from Executive Operations appropriations unit, 233.3 FTEs and \$12.7 million Gross.</p> <p>b) Transferring-in support staff and dollars (related to FTE transfer in a. above) from Executive Operations appropriations unit, 16.5 FTEs and \$825,000 Gross.</p> <p>c) Transferring-in CSS&M funding from Executive Operations appropriations unit, \$3.5 million Gross.</p> <p>d) Transferring-in (from Executive Operations appropriations unit) all funding associated with the End User Support line, \$9.0 million Gross.</p> <p>e) Transferring-in (from Executive Operations appropriations unit) all funding associated with the Computer Service Fees line, \$27.2 million Gross.</p> <p>f) Transferring-in computer related salaries and applicable FTEs from the Commission for the Blind line within the Executive Operations appropriations unit, 2.0 FTEs and \$122,900 Gross.</p> <p>g) Transferring-in administrative type funding and FTEs from the Family Independence Services appropriations unit, 5.0 FTEs and \$258,000 Gross.</p> <p>h) Transferring-in CSS&M funding from the Family Independence Services appropriations unit, \$5,000 Gross.</p> <p>i) Transferring-in travel related costs from the Central Support appropriations unit, \$110,000 Gross.</p> <p>j) Transferring-in equipment related costs from the Central Support appropriations unit, \$775,000 Gross.</p> <p>k) Transferring-in Fringe Benefit costs from the Central Support appropriations unit, \$5.3 million Gross.</p> <p>l) Economics - 2% for salaries plus an adjustment (as required) in the area of retirement, \$236,000 Gross (\$87,400 GF/GP).</p>	0.0	\$20,498,400	\$60,494,400

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>Information Technology Services & Projects ((Cont'd))</p> <p>m) Reduction to Finance Economics. Overall proposal was made to identify GF/GP savings in targeted lines in order to offset positive economics within that same line and in other cases (such as here), to offset positive economics elsewhere within the appropriations unit. Overall... this amount as proposed would achieve the stated goal. Removing \$89,400 GF/GP.</p> <p>n) Transferring-out to the newly established Department of Information Technology all FTEs accumulated within this line item, 256.8 FTEs.</p> <p>The House concurred with all items except item c) where \$75,500 in GF/GP savings were not transferred here but were instead utilized elsewhere in the department.</p> <p>The Senate concurred with House above and recognized changes below.</p> <p>o) Executive Budget Revision. Chg #1 dated April 4, 2002 adjusting DIT recommendation which adjusted the amount and FTEs transferred into and out of this particular line from various lines throughout the budget, 44.2 FTEs and \$526,100 Gross.</p> <p>p) Executive Budget Revision. Chg #1 dated April 4, 2002 (concerning DIT) recommends transferring-out to the newly established Department of Information Technology all FTEs accumulated within this line item, 44.2 FTEs.</p> <p>Conf: Agreed to <i>Executive Budget Revisions</i>.</p>	See	Previous	Page
<p>2. Client Services System</p> <p>The Executive recommended the following action:</p> <p>a) Transferring-in all funding from the Client Services Systems line item (formerly located within the Executive Operations appropriation unit), 17.0 FTEs and \$12.7 million Gross.</p> <p>b) Economics - 2% for salaries plus an adjustment (as required) in the area of retirement, \$11,300 Gross.</p> <p>c) Transferring-out to the newly established Department of Information Technology all FTEs accumulated within this line item, 17.0 FTEs.</p> <p>The Legislature concurred with the Executive's recommendation.</p>	0.0	\$0	\$12,721,200

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
<p>3. Data System Enhancement The Executive recommended the following action:</p> <p>a) Transferring-in all funding from the Data Systems Enhancement line item (formerly located within the Executive Operations appropriation unit), 23.0 FTEs and \$22.0 million Gross.</p> <p>b) Economics - 2% for salaries plus an adjustment (as required) in the area of retirement, \$25,700 Gross (\$11,200 GF/GP).</p> <p>c) Reduction to Finance Economics. Overall proposal was made to identify savings to offset positive economics in b) above. Removing \$11,200 GF/GP.</p> <p>d) Transferring-out to the newly established Department of Information Technology all FTEs accumulated within this line item, 15.0 FTEs.</p> <p>The Legislature concurred with the Executive's recommendation.</p>	0.0	\$9,271,100	\$22,040,900
<p>4. Child Support Automation The Executive recommended the following action:</p> <p>a) Executive Budget Revision. Chg #1 dated April 4, 2002 adjusting DIT recommendation which transferred dollars and FTEs into DIT from the CSES line, 15.0 FTEs and \$90.6 million Gross.</p> <p>b) Executive Budget Revision. Chg #1 dated April 4, 2002 (concerning DIT) recommends transferring-out to the newly established Department of Information Technology all FTEs accumulated within this line item, 15.0 FTEs.</p> <p>The Legislature concurred with the Executive's recommendation.</p>	0.0	\$24,743,600	\$90,571,000

PART 1 LINE ITEMS	Changes from FY 2001-2002 Y-T-D		
	FTE	GF/GP	Gross
EARLY RETIREMENT AND BUDGETARY SAVINGS			
<p>1. Early Retirement Savings The Executive made no initial recommendation in this area.</p> <p>The Senate added a \$100 placeholder in order to facilitate additional discussion.</p> <p>Conf: A Target agreement was reached as to the dollar value of early retirement savings. For FIA the savings totaled \$21.3 million GF/GP. In accordance with the agreement, the total savings has been placed in this particular line and will be satisfied via the transfer process (see boilerplate Sec. 265).</p>	0.0	(\$21,301,700)	(\$21,301,700)
<p>2. Budgetary Savings The Executive and Legislature made no initial recommendation in this area.</p> <p>Conf: A Target agreement was reached which identified \$8.7 million GF/GP in budgetary savings for the Department. In accordance with the agreement, the total savings has been placed in this particular line and will be satisfied via the transfer process (see boilerplate Sec. 265).</p>	0.0	(\$8,726,500)	(\$8,726,500)
<p>3. Administrative Budgetary Savings The Executive and Legislature made no initial recommendation in this area.</p> <p>Conf: A Target agreement was reached which identified \$4.6 million GF/GP in additional savings within the Department. The conferees agreed to identify savings within this particular line in order to give the Department added flexibility. It should be noted that this negative appropriation is subject to the transfer process. Finally, boilerplate (Sec. 268) was added that states that this particular funding will be restored if the Legislature passes a 30 cent per pack cigarette tax increase by September 30, 2002. Note - the tax increase was enacted under HB 5248 on 07/08/02. Accordingly, this \$4.6 million is effectively restored.</p>	0.0	(\$4,600,000)	(\$4,600,000)

PART 2 BOILERPLATE ITEMS

GENERAL SECTIONS

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 quarterly 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 funds are 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, FY 1998-99).

Sec. 208. Internet Reporting

Requires the Department to continue use of the Internet to fulfill reporting requirements (New, FY 1999-2000).

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 Assistance Over Issuance Collections and Error Rate Status

Authorizes FIA to retain food assistance over-issuance collections to offset GF/GP costs and requires FIA to report on error rate status.

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.

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

Requires the Department to provide notice if a legislative objective in the budget or 1939 PA 280 cannot be implemented without loss of federal funds due to conflict with federal regulations.

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, FY 1997-98).

PART 2 BOILERPLATE ITEMS

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, FY 1997-98).

Sec. 221. Collected Revenue Carry-Forward

Gives authority to carry forward local and private revenues in excess of appropriations (New, FY 1998-99).

Sec. 223. Medicaid Determination Requirements

Requires FIA to determine Medicaid eligibility within 60 days when disability is an eligibility factor and within 45 days for all other applicants, and requires FIA to report on centralized monthly processing of Medicaid spend-down paperwork for specified clients (New, FY 2000-01).

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, FY 2001-02).

Sec. 259. Department of Information Technology Agreement

Requires FIA to pay user fees to the new Department of Information Technology based on an established interagency agreement (NEW, FY 2002-03).

Sec. 260. Information Technology Funds Designated Work Projects

Allows amounts appropriated for information technology to be designated as work projects (NEW, FY 2002-03).

Sec. 261. Local Office Restructuring

Requires FIA to consult with members of the Legislature on planned local office restructuring and requires any plan ensure presence in every county (NEW, FY 2002-03).

Sec. 263. Foster Care Workers and Child Protective Services Workers

Requires FIA to replace all foster care workers and child protective services workers who take an early retirement on a 1-to-1 basis (NEW, FY 2002-03).

Sec. 264. FIA Employee Communication with Legislature

Permits FIA employees while on personal time to have appropriate communications with legislators and staff as long as the communication does not violate laws, breach confidentiality, violate civil service rules, or represent a formal FIA position without prior approval (NEW, FY 2002-03).

Sec. 265. Early Retirement Savings and Budgetary Savings

Requires that the appropriations for Early Retirement Savings and Budgetary Savings be identified by line in transfer requests (NEW, FY 2002-03).

Sec. 268. Tobacco Tax Increase vs. Additional Budgetary Savings

Restores specified budgetary savings funds contingent upon a minimum 30 cents per pack cigarette tax increase (NEW, FY 2002-03).

EXECUTIVE OPERATIONS

Sec. 301. Debit Card Usage and Annual School Clothing Allowance

Permits the use of debit cards to distribute cash assistance, and requires FIA to appropriate up to \$4.3 million for school clothing allowance for children ages 4-18 and to encourage recipients to consider using allowance at consignment or stores providing discounts.

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.

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.

PART 2 BOILERPLATE ITEMS

FAMILY INDEPENDENCE SERVICES ADMINISTRATION

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

Allows the Department to retain portions of federal child support incentive payments and expend them for various child support collection efforts. Provides guidelines counties must follow in order to avoid penalty payment.

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 Native American organizations to assure that Community Services Block Grant funds are equitably distributed.

Sec. 407. Created for Caring - VETOED

Requires the Department to contract with Created for Caring (New, FY 1998-99. Vetoed by Governor, FY 2000-01).

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, FY 2000-01).

Sec. 413. Contingent Appropriation - CSES Refund – PARTIAL VETO

Allocates and restores specified program funds contingent upon receipt of federal child support enforcement system penalty refund (NEW, FY 2002-03). Veto eliminated allocation for the Before or After School Programs, Food Bank Council, Michigan Marriage and Fatherhood Commission, Michigan Miracle Manor, Domestic Violence Parenting Time Centers, Homeless Shelter Case Management Pilots, Medicaid Spend Down Analysis, and Multicultural Assimilation Programs.

Sec. 414. Community Action Agency TANF Allocation

Identifies \$2.35 million in TANF authorized for Community Action Agencies and requires agencies to report data needed to receive TANF funds (New, FY 2000-01).

Sec. 415. Fatherhood Initiative

Requires the Department to spend up to \$500,000 in TANF to fund a fatherhood initiative (FY 2000-01, vetoed by the Governor).

Sec. 416. Marriage Initiative

Allows the Department to spend up to \$250,000 in TANF to fund a marriage initiative using licensed providers (New, FY 2001-02).

CHILD AND FAMILY SERVICES

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 18th birthday under certain criteria.

Sec. 504. Appropriation Deducts - Foster Care Private Collections

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

Sec. 508. Authorizes Additional CTF Funds and Joint Projects

Appropriates gifts and donations to the Children's Trust Fund, authorizes the Child Abuse and Neglect Prevention Board to initiate joint projects with other state agencies, and allows FIA to utilize interest and investment revenue from the current fiscal year for program and administration activities sanctioned by Child Abuse and Neglect Prevention Board.

PART 2 BOILERPLATE ITEMS

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 one 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, FY 1998-99).

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, FY 1998-99).

Sec. 514. Child Protective Services Report

Requires the Department to make a comprehensive report on child protective services to the legislature by January 1, and states some of the information and statistics to be included in the report (New, FY 1998-99).

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, FY 1998-99).

Sec. 517. Child Abuse and Neglect Prevention Programs

Authorizes allocation of funds to local collaboratives for neglect and abuse prevention programs (New, FY 1997-98).

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. Requires FIA to work with multipurpose collaborative bodies (MPCBs) to arrange a reward and/or penalty plan related to out-of-home placement outcomes. Local multipurpose collaboratives and FIA are required to report program usage, goals, and effectiveness (New, FY 1997-98).

Sec. 519. Foster Care and Adoption Services Rate Increase - VETOED

Requires the Department to provide a 1% increase to child placing agencies and residential treatment facilities beginning April 1, 2003 and allows the rate increase to support foster and adoptive parent resource centers.

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, FY 2000-01).

Sec. 523. Child and Family Services Programs Reporting Requirements

Requires Child and Family Services programs listed to report data elements to receive TANF funds, and requires agencies receiving Teenage Parent Counseling TANF funds to report additional data to FIA (New, FY 2000-01).

Sec. 524. Prevention Services Report

Requires the Department to submit an annual report on the status of the prevention services program (New, FY 2001-02).

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, FY 2002-03).

Sec. 531. Local Title IV-E Claim Requirements

Outlines requirements for FIA to make federal Title IV-E claims for eligible costs incurred by local units of government (NEW, FY 2002-03).

PART 2 BOILERPLATE ITEMS

Sec. 532. Licensing and Contract Compliance Review

Requires collaboration between FIA, Department of Consumer and Industry Services (CIS) and the Michigan Federation of Private Child and Family Agencies in the review of contract compliance and licensing policies, practices and procedures in attempt to identify duplication. Requires report (NEW, FY 2002-03).

Sec. 533. Payment Promptness – Title IV-E Services

Requires FIA to make payments to child placing agencies within 30 days after receiving documentation for Title IV-E related services (NEW, FY 2002-03).

Sec. 534. Teen Pregnancy Prevention Pilot

Allows FIA to utilize unexpended Teen Pregnancy Prevention Pilot Performance Bonus funding to support teen pregnancy prevention programs within the city of Pontiac (NEW, FY 2002-03).

Sec. 535. Monthly Guardianship Fee

Identifies legislative intent that FIA review merits of increasing monthly guardianship fee (NEW, FY 2002-03).

Sec. 536. Foster Care Assignment System

Prohibits FIA from implementing a geographically based foster care assignment system unless in the best interests of the foster children (NEW, FY 2002-03).

Sec. 537. Foster Care Placement - First Opportunity

Requires FIA to offer private nonprofit agencies the first opportunity to provide foster care services for new children under specified circumstances (NEW, FY 2002-03).

Sec. 539. Residential Treatment Placement Process

Requires FIA to collaborate with private agencies to ensure appropriate residential treatment placement process (NEW, FY 2002-03).

PUBLIC ASSISTANCE

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. 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 assistance 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 the fiscal year.

PART 2 BOILERPLATE ITEMS

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.

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 and Report Requirements

Establishes a maximum allowable charge limit for indigent burials and requires reporting.

Sec. 614. Ten-Day Burial Billing Requirement

Allows providers of indigent burial services to bill the Department within ten days of the burial or cremation (New, FY 1998-99).

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 Assistance, or SSI recipients, and allows unencumbered program balances to be carried forward to FY 2003-04.

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

Identifies situations when FIA may adjust assistance without prior notice (FY 1998-99 Vetoed By Governor - New, FY 1999-2000).

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

Exempts individuals convicted of a drug felony after August 22, 1996, from the federal prohibition on receiving Title IV-A and food assistance benefits; however, benefits must be paid to a third party (New, FY 1997-98).

Sec. 621. Multicultural Support Services Funding Distribution

Allows use of funds to support multicultural assimilation and support services based on assessed community needs.

Sec. 624. Individual Development Accounts (IDA) Plan

Requires the FIA to maintain a plan to provide for the implementation of Individual Development Accounts (New, FY 1997-98).

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, FY 1998-99).

Sec. 627. EQUIP Grants

Requires the Department to contract to provide Enhance Quality Improvement Program (EQUIP) grants (New, FY 1998-99).

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, FY 1997-98).

Sec. 632. Food Assistance Allotment

Requires the Department to calculate the food assistance allotment for applicants who are United States citizens and who live in a household with legal immigrants in a manner that maximizes food assistance available to these United States citizens under federal law (New, FY 1998-99).

PART 2 BOILERPLATE ITEMS

Sec. 635. Child Day Care Provider Central Registry Notification

Requires the Department, within six 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, FY 1999-2000).

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 1/2 years of age who meet licensing or training requirements (New, FY 2000-01).

Sec. 643. Homeless Shelter Reporting

Requires the shelter programs to report data elements needed to receive TANF funds (New, FY 2000-01).

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, FY 2000-01).

Sec. 648. Beyond Federal Five-Year Limit

Requires the Department to continue to make assistance payments to eligible recipients beyond the federal five-year limit (New, FY 2000-01).

Sec. 653. Domestic Violence Exemption - Food Assistance Requirements

Exempts an individual who is the victim of domestic violence for up to an additional three months from the three-month in 36 month limit on receiving foods assistance (New, FY 2000-01).

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, FY 2000-01).

Sec. 660. Food Bank Council TANF Reporting

Requires the Food Bank Council to report data elements needed to receive TANF funds (New, FY 2000-01).

Sec. 661. Transitional Work Support Program

Requires the Department to expend up to \$5 million to fund a Transitional Work Support Program and to provide a report (New, FY 2000-01).

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, FY 2001-02).

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, FY 2001-02).

Sec. 667. Child Day Care Provider Background Checks

Allows FIA to expend funds necessary to perform child day care provider checks from fees collected (NEW, FY 2002-03).

Sec. 668. Child Care Program Pilot - VETOED

Requires FIA, in collaboration with Michigan Alliance of Boys and Girls Clubs, to conduct a child care program pilot, leveraging child care funding to implement SMART Moves Program (New, FY 2002-03).

JUVENILE JUSTICE SERVICES

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, FY 1998-99).

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, FY 1998-99).

PART 2 BOILERPLATE ITEMS

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, FY 1998-99).

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, FY 1998-99).

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, FY 2000-01).

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, FY 1998-99).

Sec. 708. School Aid Funding for Juvenile Justice Education

Expresses legislative intent that FIA work with state and local agencies necessary to ensure funding through school aid to educate juveniles in state-operated detention or treatment facilities, and requires facility per diem rates to reflect savings (New, FY 2001-02).

Sec. 709. Child Care Fund Spending Plan

Requires counties to have approved service spending plans for the fiscal year by February 15 as a condition of receiving Child Care Funds (New, FY 2001-02).

Sec. 710. County Juvenile Justice Day Treatment – VETOED

Requires the Department to continue contracts for county juvenile justice day treatment programs (New, FY 2001-02).

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, FY 2001-02).

Sec. 713. Juvenile Justice Release Coordination and Health Care Rate

Requires FIA to work cooperatively with other state departments to coordinate and improve the delivery of services to individuals leaving the juvenile justice system, especially those aging-out identified as continuing to pose a serious risk, and requires FIA to reimburse health care providers for actual charges less than or equal to the Medicaid reimbursable rate scale for services rendered (NEW, FY 2002-03).

Sec. 714. County Information Networks – Technical Assistance

Requires FIA to provide technical assistance for counties to develop information networks like SHOCAP, JJOLT, and JVRS, and requires report (NEW, FY 2002-03).

PART 2 BOILERPLATE ITEMS

Sec. 715. Early Intervention Initiatives Report

Identifies legislative intent related to juvenile justice system and requires FIA to present and report on early intervention initiatives based on recommendations from 2001 Joint House and Senate Task Force on Juvenile Justice (NEW, FY 2002-03).

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, FY 2000-01).