



FY 2007-08
APPROPRIATIONS REPORT
Part III - Year-End Appropriations

January 2009



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THE SENATE FISCAL AGENCY

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1. To provide technical, analytical, and preparatory support for all appropriations bills.
2. To provide written analyses of all Senate bills, House bills, and Administrative Rules considered by the Senate.
3. To review and evaluate proposed and existing State programs and services.
4. To provide economic and revenue analysis and forecasting.
5. To review and evaluate the impact of Federal budget decisions on the State.
6. To review and evaluate State issuance of long-term and short-term debt.
7. To review and evaluate the State's compliance with constitutional and statutory fiscal requirements.
8. To prepare special reports on fiscal issues as they arise and at the request of members of the Senate.

The Agency is located on the 8th floor of the Victor Office Center. The Agency is an equal opportunity employer.



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APPROPRIATIONS OVERVIEW

FY 2007-08 YEAR-END APPROPRIATIONS OVERVIEW

Fiscal year (FY) 2007-08 almost certainly will be remembered by the debate and delay that characterized the approval of the initial set of appropriation bills for the fiscal year. As of September 30, 2007, the Legislature had not approved any of the appropriation bills for the fiscal year beginning on October 1, 2007. During the last days of September 2007, the State of Michigan was preparing a plan to shut down the operations of State government due to the lack of approval of these appropriation bills.

The delay on the passage of the FY 2007-08 appropriation bills resulted from a dispute between the Governor and the Legislature regarding proposals for a general tax increase. On October 1, 2007, the first day of FY 2007-08, the Legislature approved and the Governor signed into law an increase in the rate of the State income tax (Public Act 94 of 2007) and the expansion of the State use tax to a select list of services (Public Act 93 of 2007). Also on October 1, 2007, the Governor signed into law two appropriation bills that authorized the expenditure of State revenue for the period October 1, 2007 through October 31, 2007. (Two months later, Public Act 145 of 2007 repealed the use tax expansion and created a Michigan Business Tax surcharge.)

During the month of October 2007, the Governor and the Legislature debated the final parameters of the FY 2007-08 appropriation bills. On October 31, 2007, the Legislature completed action on the bills. On November 8, 2007, the Governor signed into law the initial FY 2007-08 appropriation bills, ending the longest annual budget debate over the past 25 years.

During the balance of FY 2007-08, the Legislature approved and the Governor signed into law five supplemental appropriation bills that had the impact of increasing the year-end level of appropriations above the initial levels approved in October 2007. The Legislature also adjusted the final level of FY 2007-08 appropriations through the approval of a series of contingency fund transfers. These contingency fund transfers provided for the authorization to spend additional Federal, State Restricted, and local and private-funded appropriations not assumed in the initial set of appropriations.

At the close of FY 2007-08, the Legislature had approved and the Governor had signed into law Adjusted Gross appropriations that totaled \$43.6 billion. This represented an increase of \$641.5 million over the initial level of Adjusted Gross appropriations enacted at the beginning of the fiscal year. A detailed summary of the initial FY 2007-08 appropriations is contained in the SFA's FY 2007-08 Appropriation Report: Part II – Initial Appropriations, published in November 2007.

Table 1 provides a summary of the final FY 2007-08 appropriations by source of funds. Final Adjusted Gross appropriations totaled \$43.6 billion, which included \$14.7 billion of Federal funds, \$505.8 million of local and private funds, \$18.5 billion of State Restricted funds, and \$10.0 billion of General Fund/General Purpose (GF/GP) appropriations. Table 2 provides a summary of Adjusted Gross appropriations. The initial Adjusted Gross appropriations totaled \$43.0 billion, supplemental appropriations totaled \$130.4 million, and contingency fund transfers and appropriation adjustments to the final level of revenue sharing payments to local units of government combined to increase appropriations by \$511.2 million. Table 3 provides a summary of the Adjusted Gross appropriations contained in the five enacted supplemental appropriation bills.

Table 4 provides a summary of the final level of State Spending from State Resources appropriations. The initial State Spending from State Resources appropriations totaled \$28.4 billion, supplemental appropriations totaled \$59.9 million, and contingency fund transfer and appropriation adjustments to the final level of revenue sharing payments to local units of government combined to increase appropriations by \$27.8 million. Table 5 provides a summary of the State Spending from State Resources appropriations contained in the five enacted supplemental appropriation bills.

Table 6 provides a summary of the final level of GF/GP appropriations. The initial GF/GP appropriations totaled \$9.9 billion, supplemental appropriations totaled \$124.5 million, and adjustments to the final level of revenue sharing payments to local units of government reduced appropriations by \$94,700. Table 7 provides a summary of the GF/GP appropriations contained in the five enacted supplemental appropriation bills.

FY 2007-08 Supplemental Appropriation Bills

Public Act 98 of 2008: The bill provided for \$50.0 million of State Restricted appropriations for tourism and business promotion in the State under the Michigan Strategic Fund Agency. The funding mechanism for the appropriation first involved a refinancing of existing bonds sold in 2000 for economic development purposes carried out through the 21st Century Jobs Trust Fund program. The debt service on these bonds was future tobacco settlement revenue to be received by the State. The refinancing of these bonds produced an additional \$60.0 million of revenue which was deposited into the General Fund and then transferred to the 21st Century Jobs Trust Fund. The supplemental appropriation bill authorized the expenditure of \$50.0 million of the \$60.0 million of total revenue generated from the refinancing.

Public Act 112 of 2008: The bill provided for adjustments to the initial K-12 School Aid appropriation bill. The bill reduced Gross appropriations by \$108.2 million and Restricted School Aid Fund appropriations by \$104.9 million. The major component of the bill was a \$117.0 million appropriation reduction reflecting revised cost estimates due to changes in the number of pupils to be funded. The bill also contained \$12.1 million of positive supplemental appropriation items. These included adjustments to funding in the School Readiness program, student testing programs, debt service requirements, grants to rural school districts, and several other minor grant programs.

Public Act 113 of 2008: This multidepartment appropriation bill totaled \$142.9 million of Adjusted Gross appropriations and \$41.3 million of GF/GP appropriations. The major items in the bill included the appropriation of \$35.9 million for a settlement between the State and the Federal government involving the funding of school-based health clinics, the appropriation of \$11.0 million of GF/GP funding in the Department of Environmental Quality to offset fee increases included in the Department's budget but not enacted into law, the funding of several shortfalls in the Department of Human Services, the funding for laboratory operations in the Department of State Police, the funding for local governments' costs of conducting the January 2008 presidential primary in Michigan, and a reduction in the level of debt service payments in the Department of Treasury.

Public Act 278 of 2008: The initial appropriation for capital outlay construction projects for FY 2007-08 was not enacted until June 16, 2008 (Public Act 165 of 2008). This initial appropriation for the fiscal year only included the funding of the airport improvement program.

Public Act 278 of 2008 appropriated the balance of the capital outlay budget for the fiscal year. The bill included the planning authorization for 21 construction projects to be financed by the State Building Authority along with other capital outlay appropriations for projects in the Department of Military and Veterans Affairs, the Department of Transportation, and the Department of Natural Resources. The final major item in the bill was \$35.3 million for recreation land acquisition projects and recreation development projects financed with revenue from the Michigan Natural Resources Trust Fund.

Public Act 279 of 2008: This multidepartment appropriation bill reduced Gross appropriations by \$50.2 million and increased GF/GP appropriations by \$82.3 million. The bill contained adjustments for projected caseloads and fund sources in the Department of Community Health. The caseload adjustments resulted in a reduction of Gross and GF/GP appropriations. The fund source reductions resulted in an increase of GF/GP appropriations to offset an overestimation of State Restricted funding sources. The bill included a fund source shift between the Higher Education and Department of Human Services budgets. A shift of Federal funds to the Higher Education budget to offset existing GF/GP appropriations was offset by a similar fund source shift in the Department of Human Services. This fund source shift between the two budgets related to the appropriation of additional Federal Temporary Assistance to Needy Families funding. Other funding items in the bill included a \$21.5 million GF/GP appropriation in the Department of Management and Budget to meet Federal requirements concerning State contributions to group insurance funds, Federal funds appropriated in the Department of Military and Veterans Affairs for the Starbase program for at-risk youth, Federal funds appropriated in the Department of State for the REAL ID driver license program, Federal funds appropriated in the Department of Treasury for the College Access Challenge Grant program, and a GF/GP appropriation in the Department of State Police for the acquisition of a building to house the Hart, Michigan, post.

Major State Revenue Changes

As was previously mentioned, the original FY 2007-08 appropriation bills were tied to an increase in the rate of the State income tax (Public Act 94 of 2007) and an expansion in the base of the State use tax to a select list of services (Public Act 93 of 2007). Public Act 94 of 2007 increased the rate of the State income tax from 3.9% to 4.35% effective on October 1, 2007. Public Act 93 of 2007 expanded the base of the State use tax to a select list of services effective on December 1, 2007. Following the enactment of Public Act 93 of 2007 and before the December 1, 2007, effective date of the expansion of the State use tax base, the Governor and the Legislature repealed the expansion of the use tax and replaced the revenue to be generated from this source with a surcharge added to the new Michigan Business Tax. Public Act 145 of 2007 repealed the use tax expansion and imposed a surcharge on the Michigan Business Tax equal to 21.99% of the tax liability owed.

Revenue Sharing Payment Adjustments

The final level of revenue sharing appropriations to cities, villages, townships and counties exceeded the initial level of appropriations by \$3.5 million. The increase in revenue sharing payments can be attributed to the actual level of sales tax collections and adjustments in the required level of revenue sharing payments made to counties.

Other Revenue Adjustments

The final level of year-end appropriations also was affected by other revenue adjustments in the Office of Attorney General, the Department of Civil Service, and the Department of Human Services. The Attorney General's revenue adjustment resulted in a \$1.3 million reduction in Adjusted Gross appropriations. This reduction occurred because of a reclassification of revenue from a State Restricted funding source to an interdepartmental grant funding source. The Department of Civil Service's revenue adjustment resulted in a \$100,000 reduction in Adjusted Gross appropriations. This reduction occurred as a result of the final charges by the Department for services rendered on behalf of other State departments and agencies. The Department of Human Services revenue adjustment involved the appropriation of an additional \$292.9 million of Federal funding in the Food Assistance Program. This appropriation of additional Federal funds was provided for in boilerplate language contained in the Department's annual appropriation bill.

Contingency Fund Transfers

During FY 2007-08, language was placed in the departmental appropriation bills to provide for the authorization to spend unanticipated Federal, State Restricted and local and private funds through a process known as contingency fund transfers. This process allows these funds to be spent following the approval of legislative transfers by both the Senate and House Appropriations Committees. During FY 2007-08, approved contingency fund transfers resulted in an increase of \$217.1 million of Adjusted Gross appropriations. These contingency fund transfers included \$177.2 million of Federal funds, \$23.7 million of State Restricted funds, and \$16.1 million of local and private funds.

Tobacco Settlement Revenue and Expenditures

Michigan receives annual revenue from the master settlement agreement between the United States tobacco industry and 46 states. The revenue from the tobacco settlement is appropriated in the State budget. The tobacco settlement revenue received by Michigan is first used to make debt service payments on bonds sold by the State to finance the 21st Century Jobs Trust Fund. The second use of the tobacco settlement revenue is a statutory earmarking of \$75.0 million of the total revenue to the 21st Century Jobs Trust Fund. The remaining tobacco settlement revenue then is deposited into the Merit Award Trust Fund and is appropriated by the Legislature. Table 8 provides a summary of the final level of FY 2007-08 expenditures and revenue from the tobacco settlement. Expenditures from the Merit Award Trust Fund totaled \$180.9 million. The largest expenditures were for the Medicaid program, \$64.9 million; the Merit Award scholarship program, \$48.5 million; and the Michigan Promise Grant scholarship program, \$38.0 million. A total of \$38.7 million of tobacco settlement revenue was used for debt service on bonds used to finance the 21st Century Jobs Trust Fund. At the close of the fiscal year, a balance of \$5.8 million existed in the Merit Award Trust Fund. Pursuant to statutory requirements, this balance was carried forward into FY 2008-09.

Final Year-End Balances

Table 9 provides a summary of the FY 2007-08 GF/GP budget after the final accounting of revenue and expenditures. Based on data published in the "State of Michigan Comprehensive Annual Financial Report" (SOMCAFR), the FY 2007-08 GF/GP budget closed the fiscal year with a \$457.9 million balance. Pursuant to statutory requirements, the final year-end balance was carried forward into FY 2008-09. The final year-end balance resulted from a combination of actual revenue collections' exceeding the May 2008 consensus revenue estimate and the lapsing of \$157.9 million of appropriated funds by State departments and agencies.

Table 10 provides a summary of the FY 2007-08 School Aid Fund (SAF) budget after the final accounting of revenue and expenditures. Based on data published in the SOMCAFR, the FY 2007-08 SAF budget closed the fiscal year with a \$247.1 million balance. Pursuant to statutory requirements, the final year-end balance was carried forward into FY 2008-09. The final year-end balance resulted from a combination of actual revenue collections' exceeding the May 2008 consensus revenue estimate and the lapsing of SAF appropriations.

Table 1

FY 2007-08 YEAR-END APPROPRIATIONS BY SOURCE OF FUNDS					
Department/Budget Area	Adjusted Gross	Federal Funds	Local & Private Funds	Other State Restricted	General Fund
Agriculture.....	\$99,196,000	\$21,267,600	\$233,500	\$46,121,700	\$31,573,200
Attorney General	50,069,900	7,816,000	0	10,217,300	32,036,600
Capital Outlay	243,805,500	194,371,700	15,209,400	34,222,300	2,100
Civil Rights.....	14,815,800	2,378,600	0	0	12,437,200
Civil Service	30,845,700	2,829,100	1,850,000	19,521,800	6,644,800
Community Colleges	318,938,800	0	0	0	318,938,800
Community Health	12,178,486,400	6,827,309,300	319,156,000	1,814,263,100	3,217,758,000
Corrections	2,078,416,500	11,752,700	429,700	70,149,600	1,996,084,500
Education.....	99,904,800	76,072,200	9,620,700	7,136,500	7,075,400
Environmental Quality (Operations)	347,168,300	132,150,500	455,100	171,799,500	42,763,200
Environmental Quality (CMI Bond).....	5,663,200	0	0	5,663,200	0
Executive	5,317,300	0	0	0	5,317,300
Higher Education	1,886,675,700	115,198,600	0	101,650,000	1,669,827,100
History, Arts, and Libraries	49,412,000	7,355,700	112,400	2,645,600	39,298,300
Human Services	4,961,495,900	3,409,045,000	69,993,500	75,548,600	1,406,908,800
Information Technology.....	0	0	0	0	0
Judiciary.....	257,257,500	4,626,400	6,741,700	87,892,700	157,996,700
Labor and Economic Growth.....	1,277,034,900	820,712,500	21,199,000	389,120,700	46,002,700
Legislative Auditor General	14,026,700	0	0	1,539,900	12,486,800
Legislature	114,504,000	0	400,000	1,109,800	112,994,200
Management and Budget	337,306,900	0	0	50,429,700	286,877,200
Military and Veterans Affairs.....	134,009,800	61,686,600	2,747,200	29,072,200	40,503,800
Natural Resources (Operations).....	285,437,100	47,968,900	3,166,500	210,558,500	23,743,200
Natural Resources (Trust Fund).....	35,266,200	0	723,900	34,542,300	0
School Aid.....	12,897,780,100	1,476,003,900	0	11,386,866,600	34,909,600
State	191,076,400	5,306,200	100	156,972,900	28,797,200
State Police	548,756,000	150,656,300	9,076,600	111,993,800	277,029,300
Transportation	3,360,195,600	1,200,740,600	42,850,000	2,116,605,000	0
Treasury (Debt Service)	89,986,400	0	0	23,914,500	66,071,900
Treasury (Operations)	407,353,100	38,805,700	1,100,700	294,027,400	73,419,300
Treasury (Revenue Sharing).....	1,076,445,600	0	0	1,076,214,700	230,900
Treasury (Strategic Fund).....	219,892,500	55,430,700	712,800	130,755,200	32,993,800
TOTAL APPROPRIATIONS	\$43,616,540,600	\$14,669,484,800	\$505,778,800	\$18,460,555,100	\$9,980,721,900

Table 2

FY 2007-08 YEAR-END APPROPRIATIONS - ADJUSTED GROSS				
Department/Budget Area	FY 2007-08 Initial Appropriations	FY 2007-08 Total Supplemental Appropriations	Fund Transfer/ Revenue Adjustments	Year-End FY 2007-08 Appropriations
Agriculture.....	\$98,753,900	\$415,100	\$27,000	\$99,196,000
Attorney General	51,343,900	0	(1,274,000)	50,069,900
Capital Outlay	183,191,300	60,614,200	0	243,805,500
Civil Rights.....	14,491,300	0	324,500	14,815,800
Civil Service	30,945,700	0	(100,000)	30,845,700
Community Colleges	318,928,800	10,000	0	318,938,800
Community Health	12,008,915,900	54,518,500	115,052,000	12,178,486,400
Corrections	2,077,004,500	0	1,412,000	2,078,416,500
Education.....	96,482,400	3,322,400	100,000	99,904,800
Environmental Quality (Operations)	346,268,300	500,000	400,000	347,168,300
Environmental Quality (CMI Bond).....	5,663,200	0	0	5,663,200
Executive	5,317,300	0	0	5,317,300
Higher Education	1,896,375,700	(9,700,000)	0	1,886,675,700
History, Arts, and Libraries	49,363,700	0	48,300	49,412,000
Human Services	4,574,977,200	17,482,800	369,035,900	4,961,495,900
Information Technology.....	0	0	0	0
Judiciary.....	256,768,000	489,500	0	257,257,500
Labor and Economic Growth	1,266,757,900	420,000	9,857,000	1,277,034,900
Legislative Auditor General	14,026,700	0	0	14,026,700
Legislature	114,504,000	0	0	114,504,000
Management and Budget	311,264,100	26,042,800	0	337,306,900
Military and Veterans Affairs.....	127,749,800	1,163,000	5,097,000	134,009,800
Natural Resources (Operations).....	284,387,100	1,050,000	0	285,437,100
Natural Resources (Trust Fund).....	0	35,266,200	0	35,266,200
School Aid.....	13,006,025,100	(108,245,000)	0	12,897,780,100
State	187,681,400	2,495,000	900,000	191,076,400
State Police	540,139,900	3,450,000	5,166,100	548,756,000
Transportation	3,360,195,600	0	0	3,360,195,600
Treasury (Debt Service)	119,986,400	(30,000,000)	0	89,986,400
Treasury (Operations)	388,153,100	17,600,000	1,600,000	407,353,100
Treasury (Revenue Sharing)	1,072,990,600	0	3,455,000	1,076,445,600
Treasury (Strategic Fund).....	166,342,500	53,500,000	50,000	219,892,500
TOTAL APPROPRIATIONS	\$42,974,995,300	\$130,394,500	\$511,150,800	\$43,616,540,600

Table 3

FY 2007-08 SUPPLEMENTAL APPROPRIATIONS SUMMARY - ADJUSTED GROSS						
Department/Budget Area	Public Act 98 of 2008	Public Act 112 of 2008	Public Act 113 of 2008	Public Act 278 of 2008	Public Act 279 of 2008	FY 2007-08 Total
Agriculture.....	\$0	\$0	\$0	\$0	\$415,100	\$415,100
Attorney General.....	0	0	0	0	0	0
Capital Outlay	0	0	0	60,614,200	0	60,614,200
Civil Rights.....	0	0	0	0	0	0
Civil Service.....	0	0	0	0	0	0
Community Colleges.....	0	0	0	0	10,000	10,000
Community Health	0	0	137,504,500	0	(82,986,000)	54,518,500
Corrections.....	0	0	0	0	0	0
Education.....	0	0	3,322,400	0	0	3,322,400
Environmental Quality (Operations) ..	0	0	250,000	0	250,000	500,000
Environmental Quality (CMI Bond)....	0	0	0	0	0	0
Executive	0	0	0	0	0	0
Higher Education	0	0	(9,700,000)	0	0	(9,700,000)
History, Arts, and Libraries	0	0	0	0	0	0
Human Services	0	0	17,482,800	0	0	17,482,800
Information Technology	0	0	0	0	0	0
Judiciary.....	0	0	489,500	0	0	489,500
Labor and Economic Growth	0	0	420,000	0	0	420,000
Legislative Auditor General.....	0	0	0	0	0	0
Legislature	0	0	0	0	0	0
Management and Budget	0	0	0	0	26,042,800	26,042,800
Military and Veterans Affairs.....	0	0	117,300	0	1,045,700	1,163,000
Natural Resources (Operations).....	0	0	1,050,000	0	0	1,050,000
Natural Resources (Trust Fund).....	0	0	0	35,266,200	0	35,266,200
School Aid.....	0	(108,245,000)	0	0	0	(108,245,000)
State.....	0	0	0	0	2,495,000	2,495,000
State Police.....	0	0	3,000,000	0	450,000	3,450,000
Transportation.....	0	0	0	0	0	0
Treasury (Debt Service).....	0	0	(30,000,000)	0	0	(30,000,000)
Treasury (Operations).....	0	0	15,500,000	0	2,100,000	17,600,000
Treasury (Revenue Sharing)	0	0	0	0	0	0
Treasury (Strategic Fund).....	50,000,000	0	3,500,000	0	0	53,500,000
TOTAL APPROPRIATIONS	\$50,000,000	\$(108,245,000)	\$142,936,500	\$95,880,400	\$(50,177,400)	\$130,394,500

Table 4

FY 2007-08 YEAR-END APPROPRIATIONS - TOTAL STATE SPENDING				
Department/Budget Area	FY 2007-08 Initial Appropriations	FY 2007-08 Total Supplemental Appropriations	Fund Transfer/ Revenue Adjustments	Year-End FY 2007-08 Appropriations
Agriculture.....	\$77,279,800	\$415,100	\$0	\$77,694,900
Attorney General	43,527,900	0	(1,274,000)	42,253,900
Capital Outlay	5,114,300	29,110,100	0	34,224,400
Civil Rights.....	12,437,200	0	0	12,437,200
Civil Service	24,316,600	0	1,850,000	26,166,600
Community Colleges	318,928,800	10,000	0	318,938,800
Community Health	4,987,648,000	33,267,700	11,105,400	5,032,021,100
Corrections	2,066,234,100	0	0	2,066,234,100
Education.....	14,111,900	0	100,000	14,211,900
Environmental Quality (Operations)	214,062,700	500,000	0	214,562,700
Environmental Quality (CMI Bond).....	5,663,200	0	0	5,663,200
Executive	5,317,300	0	0	5,317,300
Higher Education	1,888,975,700	(117,498,600)	0	1,771,477,100
History, Arts, and Libraries	41,943,900	0	0	41,943,900
Human Services	1,368,108,700	114,348,700	0	1,482,457,400
Information Technology.....	0	0	0	0
Judiciary.....	245,889,400	0	0	245,889,400
Labor and Economic Growth.....	424,846,400	420,000	9,857,000	435,123,400
Legislative Auditor General	14,026,700	0	0	14,026,700
Legislature	114,104,000	0	0	114,104,000
Management and Budget	311,264,100	26,042,800	0	337,306,900
Military and Veterans Affairs.....	68,815,100	117,300	643,600	69,576,000
Natural Resources (Operations).....	233,251,700	1,050,000	0	234,301,700
Natural Resources (Trust Fund).....	0	34,542,300	0	34,542,300
School Aid.....	11,526,698,800	(104,922,600)	0	11,421,776,200
State	185,770,100	0	0	185,770,100
State Police	384,898,100	3,450,000	675,000	389,023,100
Transportation	2,116,605,000	0	0	2,116,605,000
Treasury (Debt Service)	119,986,400	(30,000,000)	0	89,986,400
Treasury (Operations)	350,646,700	15,500,000	1,300,000	367,446,700
Treasury (Revenue Sharing)	1,072,990,600	0	3,455,000	1,076,445,600
Treasury (Strategic Fund).....	110,199,000	53,500,000	50,000	163,749,000
TOTAL APPROPRIATIONS	\$28,353,662,200	\$59,852,800	\$27,762,000	\$28,441,277,000

Table 5

FY 2007-08 SUPPLEMENTAL APPROPRIATIONS SUMMARY - TOTAL STATE SPENDING						
Department/Budget Area	Public Act 98 of 2008	Public Act 112 of 2008	Public Act 113 of 2008	Public Act 278 of 2008	Public Act 279 of 2008	FY 2007-08 Total
Agriculture.....	\$0	\$0	\$0	\$0	\$415,100	\$415,100
Attorney General.....	0	0	0	0	0	0
Capital Outlay	0	0	0	29,110,100	0	29,110,100
Civil Rights.....	0	0	0	0	0	0
Civil Service.....	0	0	0	0	0	0
Community Colleges.....	0	0	0	0	10,000	10,000
Community Health	0	0	77,296,800	0	(44,029,100)	33,267,700
Corrections.....	0	0	0	0	0	0
Education.....	0	0	0	0	0	0
Environmental Quality (Operations) ..	0	0	250,000	0	250,000	500,000
Environmental Quality (CMI Bond)....	0	0	0	0	0	0
Executive	0	0	0	0	0	0
Higher Education	0	0	(9,700,000)	0	(107,798,600)	(117,498,600)
History, Arts, and Libraries	0	0	0	0	0	0
Human Services	0	0	6,550,100	0	107,798,600	114,348,700
Information Technology	0	0	0	0	0	0
Judiciary.....	0	0	0	0	0	0
Labor and Economic Growth	0	0	420,000	0	0	420,000
Legislative Auditor General.....	0	0	0	0	0	0
Legislature	0	0	0	0	0	0
Management and Budget	0	0	0	0	26,042,800	26,042,800
Military and Veterans Affairs.....	0	0	117,300	0	0	117,300
Natural Resources (Operations).....	0	0	1,050,000	0	0	1,050,000
Natural Resources (Trust Fund).....	0	0	0	34,542,300	0	34,542,300
School Aid.....	0	(104,922,600)	0	0	0	(104,922,600)
State.....	0	0	0	0	0	0
State Police.....	0	0	3,000,000	0	450,000	3,450,000
Transportation.....	0	0	0	0	0	0
Treasury (Debt Service).....	0	0	(30,000,000)	0	0	(30,000,000)
Treasury (Operations).....	0	0	15,500,000	0	0	15,500,000
Treasury (Revenue Sharing)	0	0	0	0	0	0
Treasury (Strategic Fund).....	50,000,000	0	3,500,000	0	0	53,500,000
TOTAL APPROPRIATIONS	\$50,000,000	\$(104,922,600)	\$67,984,200	\$63,652,400	\$(16,861,200)	\$59,852,800

Table 6

FY 2007-08 YEAR-END APPROPRIATIONS - GENERAL FUND/GENERAL PURPOSE				
Department/Budget Area	FY 2007-08 Initial Appropriations	FY 2007-08 Total Supplemental Appropriations	Fund Transfer/ Revenue Adjustments	Year-End FY 2007-08 Appropriations
Agriculture.....	\$31,158,100	\$415,100	\$0	\$31,573,200
Attorney General	32,036,600	0	0	32,036,600
Capital Outlay	0	2,100	0	2,100
Civil Rights.....	12,437,200	0	0	12,437,200
Civil Service	6,644,800	0	0	6,644,800
Community Colleges	318,928,800	10,000	0	318,938,800
Community Health	3,125,311,600	92,446,400	0	3,217,758,000
Corrections	1,996,084,500	0	0	1,996,084,500
Education.....	7,075,400	0	0	7,075,400
Environmental Quality (Operations)	31,763,200	11,000,000	0	42,763,200
Environmental Quality (CMI Bond).....	0	0	0	0
Executive	5,317,300	0	0	5,317,300
Higher Education	1,761,775,700	(91,948,600)	0	1,669,827,100
History, Arts, and Libraries	39,298,300	0	0	39,298,300
Human Services	1,308,410,100	98,498,700	0	1,406,908,800
Information Technology.....	0	0	0	0
Judiciary.....	157,996,700	0	0	157,996,700
Labor and Economic Growth	46,002,700	0	0	46,002,700
Legislative Auditor General	12,486,800	0	0	12,486,800
Legislature	112,994,200	0	0	112,994,200
Management and Budget	260,834,400	26,042,800	0	286,877,200
Military and Veterans Affairs.....	40,386,500	117,300	0	40,503,800
Natural Resources (Operations).....	22,743,200	1,000,000	0	23,743,200
Natural Resources (Trust Fund).....	0	0	0	0
School Aid.....	34,909,600	0	0	34,909,600
State	28,797,200	0	0	28,797,200
State Police	273,579,300	3,450,000	0	277,029,300
Transportation	0	0	0	0
Treasury (Debt Service)	96,071,900	(30,000,000)	0	66,071,900
Treasury (Operations)	63,419,300	10,000,000	0	73,419,300
Treasury (Revenue Sharing)	325,600	0	(94,700)	230,900
Treasury (Strategic Fund).....	29,493,800	3,500,000	0	32,993,800
TOTAL APPROPRIATIONS	\$9,856,282,800	\$124,533,800	\$(94,700)	\$9,980,721,900

Table 7

FY 2007-08 SUPPLEMENTAL APPROPRIATIONS SUMMARY - GENERAL FUND/GENERAL PURPOSE						
Department/Budget Area	Public Act 98 of 2008	Public Act 112 of 2008	Public Act 113 of 2008	Public Act 278 of 2008	Public Act 279 of 2008	FY 2007-08 Total
Agriculture.....	\$0	\$0	\$0	\$0	\$415,100	\$415,100
Attorney General.....	0	0	0	0	0	0
Capital Outlay	0	0	0	2,100	0	2,100
Civil Rights.....	0	0	0	0	0	0
Civil Service.....	0	0	0	0	0	0
Community Colleges.....	0	0	0	0	10,000	10,000
Community Health	0	0	36,090,400	0	56,356,000	92,446,400
Corrections.....	0	0	0	0	0	0
Education.....	0	0	0	0	0	0
Environmental Quality (Operations) ..	0	0	11,000,000	0	0	11,000,000
Environmental Quality (CMI Bond)....	0	0	0	0	0	0
Executive	0	0	0	0	0	0
Higher Education	0	0	0	0	(91,948,600)	(91,948,600)
History, Arts, and Libraries	0	0	0	0	0	0
Human Services	0	0	6,550,100	0	91,948,600	98,498,700
Information Technology	0	0	0	0	0	0
Judiciary.....	0	0	0	0	0	0
Labor and Economic Growth	0	0	0	0	0	0
Legislative Auditor General.....	0	0	0	0	0	0
Legislature	0	0	0	0	0	0
Management and Budget	0	0	0	0	26,042,800	26,042,800
Military and Veterans Affairs.....	0	0	117,300	0	0	117,300
Natural Resources (Operations).....	0	0	1,000,000	0	0	1,000,000
Natural Resources (Trust Fund).....	0	0	0	0	0	0
School Aid.....	0	0	0	0	0	0
State.....	0	0	0	0	0	0
State Police.....	0	0	3,000,000	0	450,000	3,450,000
Transportation.....	0	0	0	0	0	0
Treasury (Debt Service).....	0	0	(30,000,000)	0	0	(30,000,000)
Treasury (Operations).....	0	0	10,000,000	0	0	10,000,000
Treasury (Revenue Sharing)	0	0	0	0	0	0
Treasury (Strategic Fund).....	0	0	3,500,000	0	0	3,500,000
TOTAL APPROPRIATIONS	\$0	\$0	\$41,257,800	\$2,100	\$83,273,900	\$124,533,800

Table 8
FY 2007-08 MERIT AWARD TRUST FUND
FINAL YEAR-END EXPENDITURES AND REVENUE
(Actual Dollars)

Expenditures:	
<u>Attorney General</u>	
Legal Services	\$357,611
<u>Community Health</u>	
Medicaid Base Funding	64,900,000
Nursing Home Personal Needs Allowance.....	0
Senior Respite Care Services	5,000,000
<u>Higher Education</u>	
Merit Award Scholarships	48,534,832
Michigan Promise Scholarships	37,970,742
Tuition Incentive Program.....	537,039
Nursing Scholarship.....	4,250,000
Children of Veterans Tuition Program	607,827
Tuition Grants	408,095
<u>Human Services</u>	
Children's Services	15,850,000
<u>Treasury</u>	
Merit Award/TIP Administration	1,548,083
Michigan Education Savings Program.....	677,937
Information Technology	247,433
Merit Award Trust Fund Expenditures	\$180,889,599
Revenue:	
<u>FY 2007-08 Revenue Estimate</u>	
Beginning Balance	10,239,634
Current Year Revenue	290,157,900
Payment on Securitization Bonds	(38,707,064)
Deposit to 21 st Century Jobs Trust Fund	(75,000,000)
Interest Earnings	7,230
Total Merit Award Trust Fund Revenue	\$186,697,700
Unreserved Balance	\$5,808,101

Table 9
FY 2007-08
GENERAL FUND/GENERAL PURPOSE
REVENUE, EXPENDITURES, AND YEAR-END BALANCE
(Millions of Dollars)

	Final SOMCAFR
Revenue:	
Beginning Balance.....	\$259.1
<u>Ongoing Revenue:</u>	
Ongoing Revenue Estimate	9,359.7
Revenue Sharing Freeze	589.3
Shift of Short-Term Borrowing Costs to School Aid Fund.....	<u>22.8</u>
Subtotal Ongoing Revenue	9,971.8
<u>One-Time Revenue:</u>	
Sale of Northville State Property	22.9
Juror Compensation Fund Transfer to General Fund	2.3
Comprehensive Transportation Fund Transfer to General Fund	5.0
Transportation Economic Development Fund Transfer to General Fund	13.0
Financial Institutions Fund Shift to General Fund	2.0
Tobacco Settlement Refinancing (PA 101 of 2008).....	<u>60.0</u>
Subtotal One-Time Revenue	105.2
Total Estimated Revenue.....	\$10,336.1
Expenditures:	
Initial Enacted Appropriations	\$9,856.3
<u>Supplemental Appropriations:</u>	
Public Act 98 of 2008	60.0
Public Act 113 of 2008	41.2
Public Act 278 of 2008	0.0
Public Act 279 of 2008	<u>83.3</u>
Subtotal Supplemental Appropriations	184.5
Projected Year-End Appropriation Lapses	(157.9)
Other Book-Closing Adjustments	<u>(4.7)</u>
Total Projected Expenditures.....	\$9,878.2
Projected Year-End Balance	\$457.9

Table 10
FY 2007-08
SCHOOL AID FUND
REVENUE, EXPENDITURES, AND YEAR-END BALANCE
(Millions of Dollars)

	Final SOMCAFR
Revenue:	
Beginning Balance.....	\$82.4
Ongoing Revenue Estimate	11,518.8
GF/GP Grant to School Aid Fund.....	29.1
Federal Revenue	1,377.7
Total Estimated Revenue.....	\$13,008.0
Expenditures:	
Initial Enacted Appropriations	\$13,006.0
<u>Supplemental Appropriations:</u>	
Public Act 112 of 2008	(108.2)
Midland Property Tax and Enbridge Energy Pipeline Settlements	12.9
Federal Funding Expenditure Adjustment	(98.3)
Projected Year-End Appropriation Lapses	(51.5)
Total Projected Expenditures.....	\$12,760.9
Projected Year-End Balance	\$247.1

Table 11
FY 2007-08
INDEX OF APPROPRIATIONS ACTS

BUDGET AREA	BILL NUMBER	PUBLIC ACT NO.
Agriculture		
Initial	Senate Bill 222	Public Act 128 of 2007
Supplemental	Senate Bill 1111	Public Act 279 of 2008
Attorney General		
Initial	Senate Bill 229	Public Act 127 of 2007
Capital Outlay		
Initial	House Bill 5221	Public Act 165 of 2008
Supplemental	Senate Bill 511	Public Act 278 of 2008
Civil Rights		
Initial	Senate Bill 229	Public Act 127 of 2007
Civil Service		
Initial	Senate Bill 229	Public Act 127 of 2007
Community Colleges		
Initial	House Bill 4360	Public Act 120 of 2007
Supplemental	Senate Bill 1111	Public Act 279 of 2008
Community Health		
Initial	House Bill 4344	Public Act 123 of 2007
Supplemental	House Bill 5344	Public Act 113 of 2008
Supplemental	Senate Bill 1111	Public Act 279 of 2008
Corrections		
Initial	House Bill 4348	Public Act 124 of 2007
Education		
Initial	House Bill 4346	Public Act 119 of 2007
Supplemental	House Bill 5344	Public Act 113 of 2008
Environmental Quality - Clean Michigan Initiative		
Initial	House Bill 4358	Public Act 121 of 2007
Environmental Quality - Operations		
Initial	House Bill 4358	Public Act 121 of 2007
Supplemental	House Bill 5344	Public Act 113 of 2008
Supplemental	Senate Bill 1111	Public Act 279 of 2008

**FY 2007-08
INDEX OF APPROPRIATIONS ACTS**

BUDGET AREA	BILL NUMBER	PUBLIC ACT NO.
Executive		
Initial	Senate Bill 229	Public Act 127 of 2007
Higher Education		
Initial	House Bill 4350	Public Act 136 of 2007
Supplemental	House Bill 5344	Public Act 113 of 2008
Supplemental	Senate Bill 1111	Public Act 279 of 2008
History, Arts, and Libraries		
Initial	Senate Bill 231	Public Act 117 of 2007
Human Services		
Initial	Senate Bill 232	Public Act 131 of 2007
Supplemental	House Bill 5344	Public Act 113 of 2008
Supplemental	Senate Bill 1111	Public Act 279 of 2008
Information Technology		
Initial	Senate Bill 229	Public Act 127 of 2007
Judiciary		
Initial	Senate Bill 233	Public Act 125 of 2007
Supplemental	House Bill 5344	Public Act 113 of 2008
Labor and Economic Growth		
Initial	Senate Bill 234	Public Act 118 of 2007
Supplemental	House Bill 5344	Public Act 113 of 2008
Legislative Auditor General		
Initial	Senate Bill 229	Public Act 127 of 2007
Legislature		
Initial	Senate Bill 229	Public Act 127 of 2007
Management and Budget		
Initial	Senate Bill 229	Public Act 127 of 2007
Supplemental	Senate Bill 1111	Public Act 279 of 2008
Military and Veterans Affairs		
Initial	Senate Bill 235	Public Act 126 of 2007
Supplemental	House Bill 5344	Public Act 113 of 2008
Supplemental	Senate Bill 1111	Public Act 279 of 2008

FY 2007-08 INDEX OF APPROPRIATIONS ACTS		
BUDGET AREA	BILL NUMBER	PUBLIC ACT NO.
Natural Resources - Operations		
Initial	House Bill 4354	Public Act 122 of 2007
Supplemental	House Bill 5344	Public Act 113 of 2008
Natural Resources Trust Fund		
Initial	Senate Bill 511	Public Act 278 of 2008
School Aid		
Initial	House Bill 4359	Public Act 137 of 2007
Supplemental	House Bill 5531	Public Act 112 of 2008
State		
Initial	Senate Bill 229	Public Act 127 of 2007
Supplemental	Senate Bill 1111	Public Act 279 of 2008
State Police		
Initial	Senate Bill 238	Public Act 130 of 2007
Supplemental	House Bill 5344	Public Act 113 of 2008
Supplemental	Senate Bill 1111	Public Act 279 of 2008
Transportation		
Initial	Senate Bill 240	Public Act 129 of 2007
Treasury - Debt Service		
Initial	Senate Bill 229	Public Act 127 of 2007
Supplemental	House Bill 5344	Public Act 113 of 2008
Treasury - Operations		
Initial	Senate Bill 229	Public Act 127 of 2007
Supplemental	House Bill 5344	Public Act 113 of 2008
Supplemental	Senate Bill 1111	Public Act 279 of 2008
Treasury - Revenue Sharing		
Initial	Senate Bill 229	Public Act 127 of 2007
Treasury - Strategic Fund Agency		
Initial	Senate Bill 229	Public Act 127 of 2007
Supplemental	Senate Bill 1223	Public Act 98 of 2008
Supplemental	House Bill 5344	Public Act 113 of 2008

BUDGET AREA DETAIL

DEPARTMENT OF AGRICULTURE

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	686.5	686.5
Gross	108,369,300	108,811,400
IDG	9,615,400	9,615,400
Federal	21,240,600	21,267,600
Local	0	0
Private	233,500	233,500
Restricted	46,121,700	46,121,700
GF/GP	31,158,100	31,573,200
<hr/>		
	Change From FY 2007-08 Initial Appropriation	
<hr/>		

The initial appropriation was contained in Public Act 128 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

A. SUPPLEMENTAL APPROPRIATIONS

Public Act 279 of 2008

Pseudorabies Indemnification. An outbreak of pseudorabies in the game swine population in Michigan required depopulation of five hunting ranches in the spring of 2008. The State made indemnification payments for the depopulation of the swine and this appropriation provided funding for those payments.

Gross	415,100
GF/GP	415,100

B. EXECUTIVE ORDERS - NONE

C. CONTINGENCY FUND TRANSFERS

State Budget Office Letter 5-9-08

Food Labeling. Federal law requires that fish and shellfish sold in retail grocery stores, warehouses, and distribution centers be labeled with the country of origin. The U.S. Department of Agriculture provided funding to states to audit the facilities to ensure compliance.

Gross	27,000
Federal	27,000
GF/GP	0

D. TRANSFERS - NONE

DEPARTMENT OF ATTORNEY GENERAL

The initial appropriation was contained in Public Act 127 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	556.0	556.0
Gross	73,124,200	73,124,200
IDG	21,780,300	23,054,300
Federal	7,816,000	7,816,000
Local	0	0
Private	0	0
Restricted	11,491,300	10,217,300
GF/GP	32,036,600	32,036,600
Change From FY 2007-08 Initial Appropriation		

A. SUPPLEMENTAL APPROPRIATIONS - NONE

B. EXECUTIVE ORDERS - NONE

C. CONTINGENCY FUND TRANSFERS - NONE

D. TRANSFERS

1. State Budget Office Letter 5-8-08

Medicaid Fraud. The first part of this administrative transfer (\$500,000 between Federal funds) of spending authorization within the Operations line item was necessary to recognize the U.S. Department of Health and Human Services approved use of program income by the Michigan Department of Attorney General's Medicaid fraud control unit. The second part of this administrative transfer (\$1,274,000 between IDG and restricted revenue) aligned State restricted revenue sources with the actual work performed by the Department of Attorney General and resulted in an increase in interdepartmental grant (IDG) authorization and a decrease in the authorization for restricted revenue. The transfer was consistent with memos of understanding with the affected agencies, including the Departments of Labor and Economic Growth, Corrections, State Police, and Education.

Gross	0
IDG	1,274,000
Restricted	(1,274,000)
GF/GP	0

**Change From FY 2007-08
Initial Appropriation**

2. State Budget Office Letter 9-11-08

Information Technology. This legislative transfer increased General Fund authorizations in the Information Technology Services and Projects line item to cover ongoing technology-related costs due to previous underfunding. Excess General Fund authorization was available from the Unclassified Positions line item due to turnover and vacant positions.

Gross	0
GF/GP	0

CAPITAL OUTLAY

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	N/A	N/A
Gross	0	245,805,500
IDG	0	2,000,000
Federal	0	194,371,700
Local	0	15,209,400
Private	0	0
Restricted	0	34,222,300
GF/GP	0	2,100
Change From FY 2007-08 Initial Appropriation		

The initial appropriation was not enacted until June 19, 2008; therefore the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007, did not include a section for capital outlay appropriations. Passage of the Capital Outlay budget was delayed due to negotiations regarding State Building Authority construction projects. Due to timing issues and the potential loss of Federal aviation funds, Public Act 165 of 2008 included the airport improvement program portion of the Capital Outlay budget. Public Act 278 of 2008, enacted on September 29, 2008, included the balance of the FY 2007-08 Capital Outlay budget.

A. SUPPLEMENTAL APPROPRIATIONS

1. Public Act 165 of 2008

Airport Improvement Program. Of the \$183.2 million included for the State's Airport Improvement Program, \$162.9 million is Federal funds (Federal Aviation Administration), \$15.2 million is local match, and \$5.1 million is from the State Aeronautics Fund. The FY 2007-08 budget supports 105 airport improvement and maintenance projects throughout the State.

Gross	183,191,300
Federal	162,867,600
Local	15,209,400
Restricted	5,114,300
GF/GP	0

2. Public Act 278 of 2008

This appropriation act provided the balance of FY 2007-08 Capital Outlay appropriations. Programs funded included:

a. State Building Authority (SBA) Projects. The budget included 21 SBA projects that will result in \$275.2 million in SBA bonding. Table 1 provides details regarding SBA projects.

Gross	2,100
GF/GP	2,100

b. Department of Military Affairs. Adjustments for the Department of Military Affairs included \$15.0 million Federal for maintenance projects; \$3.5 million Federal to construct a new Army Standard Infantry Platoon Battle Course/Live Fire Range at Camp Grayling; and \$8.0 million Federal for a specially designed Company Headquarters Building facility (six structures) with attached barracks and dining facilities for the Camp Grayling Army Airfield.

Gross	26,500,000
Federal	26,500,000
GF/GP	0

**Change From FY 2007-08
Initial Appropriation**

- c. **Waterways Boating Program.** The budget included \$4,402,000 for State and local infrastructure projects; \$500,000 for land acquisition; \$144,000 to replace a ramp and dock and for other maintenance at Otsego Lake; \$510,000 for a new boating access project at Walloon Lake; \$1.0 million for Phase V at Mackinaw City (breakwaters, floating docks, utility upgrades, boat launch, comfort station, parking, and fuel facilities); \$1,679,400 for Cheboygan lock and dam repairs; \$505,000 for Phase II of the Grand Haven marina rehabilitation (total project cost \$2.0 million); \$861,000 for a marina dock and harbormaster building expansion at Petoskey Harbor (total project cost \$1.7 million); \$1.0 million for dredging at Bay Port; \$1,976,000 for the Mackinac Island mooring expansion project; and \$979,700 in Federal funds for the Peshawbestown Marina.

- d. **Department of Transportation - Buildings and Facilities.** The budget included \$2.6 million for salt storage buildings and containment control systems; \$750,000 for institutional and agency roads; \$1.0 million for miscellaneous and emergency maintenance costs; \$1,750,000 for a new Pontiac Transportation Center (rail and intercity bus); \$755,000 for renovation of the L'Anse maintenance garage; and \$7,450,000 for a new combined expanded State-owned maintenance garage in Lansing.

- e. **Other Items.** Other items in the budget included funding for ongoing annual capital outlay programs including \$3,750,000 for farmland and open space acquisition, \$2.0 million for State agency special maintenance projects, and \$2.5 million for State park and forest area improvements.

Gross	13,557,100
Federal	3,754,100
Restricted	9,803,000
GF/GP	0
Gross	14,305,000
Restricted	14,305,000
GF/GP	0
Gross	8,250,000
IDG	2,000,000
Federal	1,250,000
Restricted	5,000,000
GF/GP	0

B. EXECUTIVE ORDERS - NONE

C. CONTINGENCY FUND TRANSFERS - NONE

D. TRANSFERS - NONE

Table 1

FY 2007-08 STATE BUILDING AUTHORITY PROJECTS			
PROJECT (REVISED)	TOTAL COST	STATE SHARE	INSTITUTION SHARE
Eastern Michigan University - Pray-Harrod Addition and Modernization	\$42,000,000	\$31,500,000	\$10,500,000
Ferris State University - Center for Collaborative Health Education	26,900,000	20,175,000	6,725,000
Michigan Technological University - Great Lakes Research Center	25,000,000	18,750,000	6,250,000
Oakland University - Human Health Building	61,748,100	40,000,000	21,748,100
Saginaw Valley State University - Health Sciences Facility	28,000,000	21,000,000	7,000,000
Western Michigan University - Sangren Hall Building Renovation	56,000,000	11,700,000	44,300,000
SUBTOTAL - UNIVERSITIES:	\$239,648,100	\$143,125,000	\$96,523,100
Henry Ford Community College - Science Building Improvements	\$15,000,000	\$7,500,000	\$7,500,000
Jackson Community College - Whiting Hall Renovations	21,900,000	10,950,000	10,950,000
Kalamazoo Valley - Texas Twp Campus Expansion/Student Success Center	12,000,000	6,000,000	6,000,000
Kirtland Community College - Campus Well Water System Upgrades	1,005,000	502,500	502,500
Monroe Community College - Career Technology Center	17,000,000	8,500,000	8,500,000
Montcalm Community College - MTEC Expansion for Job Training	6,000,000	3,000,000	3,000,000
Mott Community College - Mott Library Renovation	8,156,000	4,078,000	4,078,000
Muskegon Community College - Student Services One-Stop Center	5,000,000	2,500,000	2,500,000
Southwestern Michigan College - Technology Building Renovation and Expansion	3,200,000	1,600,000	1,600,000
Washtenaw Community College - Skilled Trades Training Complex	16,000,000	8,000,000	8,000,000
Wayne County Community College - Northwest Campus Replacement Construction	42,000,000	21,000,000	21,000,000
West Shore Community College - Arts and Sciences Center/Remodeling & Additions	6,900,000	3,450,000	3,450,000
SUBTOTAL - COMMUNITY COLLEGES:	\$154,161,000	\$77,080,500	\$77,080,500
Department of History, Arts, and Libraries - Warehouse Facility Acquisition	\$9,890,000	\$9,890,000	\$0
Michigan State Police - Bay City Post	2,889,000	2,889,000	0
DMB - State Facility Preservation Projects - Phase III	42,221,000	42,221,000	0
SUBTOTAL - STATE AGENCIES:	\$55,000,000	\$55,000,000	\$0
TOTAL SBA PROJECTS:	\$448,809,100	\$275,205,500	\$173,603,600

DEPARTMENT OF CIVIL RIGHTS

The initial appropriation was contained in Public Act 127 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	136.0	136.0
Gross	14,491,300	14,815,800
IDG	0	0
Federal	2,054,100	2,378,600
Local	0	0
Private	0	0
Restricted	0	0
GF/GP	12,437,200	12,437,200

**Change From FY 2007-08
Initial Appropriation**

A. SUPPLEMENTAL APPROPRIATIONS - NONE

B. EXECUTIVE ORDERS - NONE

C. CONTINGENCY FUND TRANSFERS

1. State Budget Office Letter 5-9-08

Federal VOCA Grant. This legislative transfer of \$253,600 allowed the Department of Civil Rights to receive Federal Victims of Crime Act (VOCA) funds from the U.S. Department of Justice for training purposes. Funding was used to provide training for approximately 5,000 individuals (2,500 in Equal Employment Opportunity and 2,500 in Cultural Competency). Funding also was used to provide support for the creation of an on-line training system for both Equal Employment Opportunity and Cultural Competency.

Gross	253,600
Federal	253,600
GF/GP	0

2. State Budget Office Letter 9-11-08

Federal HUD Grant. This legislative transfer of \$70,900 provided appropriation authorization for the Department of Civil Rights to receive additional Federal Housing and Urban Development (HUD) grant money. The additional funding paid for Department operations related to HUD activities.

Gross	70,900
Federal	70,900
GF/GP	0

D. TRANSFERS - NONE

DEPARTMENT OF CIVIL SERVICE

The initial appropriation was contained in Public Act 127 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	240.5	240.5
Gross	36,821,600	36,821,600
IDG	5,875,900	5,975,900
Federal	4,779,100	2,829,100
Local	1,700,000	1,700,000
Private	150,000	150,000
Restricted	17,671,800	19,521,800
GF/GP	6,644,800	6,644,800
Change From FY 2007-08 Initial Appropriation		

A. SUPPLEMENTAL APPROPRIATIONS - NONE

B. EXECUTIVE ORDERS - NONE

C. CONTINGENCY FUND TRANSFERS - NONE

D. TRANSFERS

1. State Budget Office Letter 9-11-08

One-Percent Revenue. This legislative transfer between funding sources adjusted the authorizations to accurately reflect actual 1% revenue received from other departments. Initial appropriations are always based on estimated revenue. Authorization was available in Federal funds due to efficiencies in operation.

Gross	0
Federal	(1,500,000)
Restricted	1,500,000
GF/GP	0

2. State Budget Office Letter 10-31-08

One-Percent Revenue. This legislative transfer between funding sources adjusted the authorizations to accurately reflect actual 1% revenue received from other departments. Initial appropriations are always based on estimated revenue. Authorization was available in Federal funds due to efficiencies in operation.

Gross	0
IDG	100,000
Federal	(450,000)
Restricted	350,000
GF/GP	0

COMMUNITY COLLEGES

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	N/A	N/A
Gross	318,928,800	318,938,800
IDG	0	0
Federal	0	0
Local	0	0
Private	0	0
Restricted	0	0
GF/GP	318,928,800	318,938,800
Change From FY 2007-08 Initial Appropriation		

The initial appropriation was contained in Public Act 120 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

A. SUPPLEMENTAL APPROPRIATIONS

Public Act 279 of 2008

Renaissance Zone Tax Reimbursements. The enacted budget included \$3,025,000 for renaissance zone tax reimbursements pursuant to the Michigan Renaissance Zone Act. Twenty-three community colleges received payments in FY 2007-08. This supplemental appropriation was necessary to fully fund payments.

Gross	10,000
GF/GP	10,000

B. EXECUTIVE ORDERS - NONE

C. CONTINGENCY FUND TRANSFERS - NONE

D. TRANSFERS - NONE

DEPARTMENT OF COMMUNITY HEALTH

The initial appropriation was contained in Public Act 123 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

	FY 2007-08 Initial Appropriation	FY 2007-08 Year- End Appropriation
FTE	4,761.6	4,761.6
Gross	12,048,326,100	12,217,896,600
IDG	39,410,200	39,410,200
Federal	6,708,510,700	6,827,309,300
Local	247,237,400	248,418,100
Private	65,519,800	70,737,900
Restricted	1,862,336,400	1,814,263,100
GF/GP	3,125,311,600	3,217,758,000

Change From FY 2007-08 Initial Appropriation

A. SUPPLEMENTAL APPROPRIATIONS

1. Public Act 113 of 2008

a. Expansion of Hospital Quality Assurance Assessment Program (QAAP). The supplemental included funding to reflect an increase in hospital QAAP payments up to the Federal upper payment limit.	Gross Federal Restricted GF/GP	60,821,000 35,337,000 25,484,000 0
b. Implementation of Specialty Network Access Fees (SNAF). The supplemental reflected implementation of the SNAF program. Under this program, money flows through Medicaid health maintenance organizations (HMOs) to public clinics operated by universities and public hospitals.	Gross Federal Local Restricted GF/GP	40,383,900 23,463,100 1,198,400 15,722,400 0
c. Medicaid School-Based Services Settlement. The supplemental included funding to cover the State's share of a settlement with the Federal government over Medicaid school-based services. The State's final appeals regarding a disallowance dating back to FY 2001-02 were rejected and the Office of State Budget requested funding to cover the settlement.	Gross GF/GP	35,939,600 35,939,600
d. Funding for Specialty Dementia Services. The supplemental reinstated funding for a specialty dementia program operated at the Pine Rest health center in Grand Rapids.	Gross Federal GF/GP	360,000 209,200 150,800

**Change From FY 2007-08
Initial Appropriation**

2. Public Act 279 of 2008

- a. Medicaid Expenditure Consensus.** The supplemental reflected the consensus estimate on Medicaid and related expenditures. This consensus was the result of a May meeting involving the Office of State Budget, the House Fiscal Agency, and the Senate Fiscal Agency.
- b. Merit Award Trust Fund Shortfall.** The supplemental included additional GF/GP funding to replace a shortfall in tobacco settlement revenue used to support the Medicaid program.
- c. Tobacco Tax Revenue Shortfall.** The supplemental included additional GF/GP funding to replace a shortfall in tobacco tax revenue used to support the Medicaid program.

Gross	(82,986,000)
Federal	(38,113,700)
Local	(843,200)
Restricted	(17,085,100)
GF/GP	(26,944,000)
Gross	0
Restricted	(74,100,000)
GF/GP	74,100,000
Gross	0
Restricted	(9,200,000)
GF/GP	9,200,000

B. EXECUTIVE ORDERS - NONE

C. CONTINGENCY FUND TRANSFERS

1. State Budget Office Letter 5-9-08

- a. Recognition of Additional Federal Grants.** A transfer of \$1.66 million in Federal contingency funds to the Departmental Administration and Management line was approved, and distributed as follows: \$110,000 for a new Research Triangle Institute grant to evaluate health information security issues, \$450,000 in Title XXI State Children's Health Insurance Program, \$100,000 in Title XIX Medicaid funding for Administrative Tribunal Hearings, and \$1.0 million in various Federal programs to cover the cost of the Office of the Auditor General Single Audit.
- b. Building and Occupancy Costs.** A transfer of \$293,100 in additional Federal Medicare revenue was used to fund projected building occupancy costs for the Health Systems administration program.

Gross	1,660,000
Federal	1,660,000
GF/GP	0
Gross	293,100
Federal	293,100
GF/GP	0

		Change From FY 2007-08 Initial Appropriation	
c. Developmental Disabilities Grant. A transfer of \$430,000 in Federal contingency funds recognized a grant award from the U.S. Department of Health and Human Services aimed at developmental disabilities support and advocacy. The funds are used to provide support services to affected individuals and their families.	Gross	430,000	
	Federal	430,000	
	GF/GP	0	
d. Community Residential Leases. A transfer of \$100,000 in additional oil and gas revenue was made to the Community Residential and Support Services line to cover expected residential lease expenditures. The FY 2008-09 Executive recommendation included a similar adjustment.	Gross	100,000	
	Federal	100,000	
	GF/GP	0	
e. Federal Mental Health Block Grant Revenue. The transfer increased Federal authorization in the Federal Mental Health Block Grant line by about \$2.3 million to recognize carry-forward block grant revenue from past fiscal years to cover program expenditures. These funds are used by community mental health service programs (CMHSPs) to provide services to adults and children with serious mental illness or emotional disturbances.	Gross	2,291,500	
	Federal	2,291,500	
	GF/GP	0	
f. Kellogg Foundation Grant. A transfer of \$314,000 to the Promotion of Healthy Behaviors line was made to recognize a Kellogg Foundation Generation of Promise grant. This funding will be targeted to middle school students and used to promote healthy behaviors.	Gross	314,000	
	Private	314,000	
	GF/GP	0	
g. CMS Transformation Grant. A transfer of \$892,500 to the Vital Records and Health Statistics line was made to recognize available carryforward revenue from Centers for Medicare and Medicaid Services (CMS) Transformation grant for the automation of historical birth records.	Gross	892,500	
	Federal	892,500	
	GF/GP	0	
h. Emergency Medical Services Grant. A transfer of \$71,300 from Federal contingency funds to the Emergency Medical Services Grants and Services line was completed. This transfer recognized additional Preventative Block Grant funding to cover higher-than-anticipated expenditures.	Gross	71,300	
	Federal	71,300	
	GF/GP	0	
i. Medicare Rural Health Flexibility Grant. A \$1.15 million transfer from Federal contingency funds was completed to recognize a Medicare Rural Flexibility grant awarded to the State. The grant will create an electronic health data exchange system for hospitals and referral centers in the Thumb region.	Gross	1,147,200	
	Federal	1,147,200	
	GF/GP	0	
j. HIV/AIDS Federal Grants. This transfer recognized a Minority AIDS Initiative grant and an Expanded HIV Testing Prevalence grant awarded to the State. The award included \$156,400 to provide outreach and education to minorities who are HIV-positive and \$957,200 to reduce morbidity and mortality through increased testing and referral services in high-HIV-prevalence health care facilities.	Gross	1,113,600	
	Federal	1,113,600	
	GF/GP	0	

		Change From FY 2007-08 Initial Appropriation	
k. Testing and Laboratory Revenue. A transfer from State restricted contingency funds to the Laboratory Services line was completed in recognition of additional childhood lead testing fee revenue and carry-forward laboratory fee revenue. This additional revenue was directed toward the replacement of essential lab testing equipment.	Gross	718,800	
	Restricted	718,800	
	GF/GP	0	
l. Lead Abatement Revenue. This transfer recognized \$12,000 in settlement revenue from Holland-based EBW Electronics that will be used for lead abatement in Holland. It also recognized \$15,000 in carry-forward fee revenue, which will be used to conduct additional training for lead abatement professionals.	Gross	27,000	
	Restricted	27,000	
	GF/GP	0	
m. Chronic Disease Prevention Grants. This transfer recognized two Federal grants awarded to the State relating to chronic disease prevention. The State received \$550,000 in the form of a Stroke Registry and Quality Improvement grant and a \$700,000 Food Stamp Nutrition Education Project grant, both of which are reflected in the Chronic Disease Prevention line.	Gross	1,250,000	
	Federal	1,250,000	
	GF/GP	0	
n. WIC Grants and Revenue. A transfer of both Federal and private contingency funds to the Women, Infants, and Children (WIC) Program Local Agreements and Food Costs line was completed. The transfer recognized both an increase of approximately \$22.3 million in the Federal WIC grant award and an approximate increase of \$1.7 million in private infant formula rebates.	Gross	24,069,000	
	Federal	22,325,400	
	Private	1,743,600	
	GF/GP	0	
o. Crime Victim Services Adjustment. This contingency fund transfer increased State restricted Crime Victim's Rights Fund and Federal Victims of Crime Act (VOCA) Assistance authorization to recognize unanticipated retirement payout and multilingual document printing costs in Crime Victim Services.	Gross	186,000	
	Federal	112,100	
	Restricted	73,900	
	GF/GP	0	
p. Justice Assistance Grants Adjustment. A transfer of \$98,000 in Federal contingency fund revenue to the Justice Assistance Grants line was completed to recognize available revenue and cover expenditures related to VOCA.	Gross	98,000	
	Federal	98,000	
	GF/GP	0	
q. Long-Term Care Ombudsman Expenditures. This transfer of private contingency funds recognized the use of civil monetary penalty revenue to support the long-term care ombudsman program. This funding shift was necessary because the Centers for Medicare and Medicaid Services discontinued its policy of providing Medicaid matching funds for ombudsman services on January 1, 2008.	Gross	260,000	
	Private	260,000	
	GF/GP	0	
r. Employment Assistance Grant Revenue. This transfer recognized an additional \$395,000 in Federal Title V Employment Assistance grant revenue to support the job counseling and referral services for low-income senior citizens.	Gross	395,000	
	Federal	395,000	
	GF/GP	0	

		Change From FY 2007-08 Initial Appropriation	
s. Healthy Kids Dental Adjustments. This contingency fund transfer recognized additional Federal and State contingency funds directed to the Healthy Kids Dental program. The University of Michigan contribution matches Federal Title XIX revenue that is reflected in this transfer.	Gross	1,600,000	
	Federal	929,600	
	Restricted	670,400	
	GF/GP	0	
t. MIChoice Waiver Program Funding. This contingency fund transfer increased the local and Federal authorization in the Medicaid Home- and Community-Based Services Waiver line to recognize Wayne County local funding in support of the program. The Wayne County contribution matches Federal Title XIX revenue that is reflected in this transfer.	Gross	667,000	
	Federal	387,500	
	Local	279,500	
	GF/GP	0	
2. State Budget Office Letter 9-11-08			
a. Kellogg Foundation Grant Adjustment. A transfer of \$32,700 in private contingency funds to the Promotion of Healthy Behaviors line was approved in recognition of an increase in the Kellogg Foundation Generation of Promise grant.	Gross	32,700	
	Private	32,700	
	GF/GP	0	
b. Alzheimer's Disease Demonstration Grant Adjustment. A transfer of \$30,500 in Federal contingency funds to the Mental Health Initiatives for Older Persons line was approved. This transfer increased Federal Alzheimer's Disease Demonstration grant authorization to recognize carry-forward revenue available to cover program expenditures.	Gross	30,500	
	Federal	30,500	
	GF/GP	0	
c. Ryan White Care Act II Revenue. This transfer, totaling about \$3.9 million, was approved in recognition of additional Federal Ryan White Care Act II revenue and AIDS Drug Assistance Program private revenue. The transfer funds are reflected in the AIDS Prevention, Testing, and Care Programs line.	Gross	3,886,300	
	Federal	1,934,500	
	Private	1,951,800	
	GF/GP	0	
d. Ryan White Title IV Grant Revenue. A transfer of \$76,000 in Federal funds to the Pediatric AIDS Prevention and Control line was approved. This transfer recognized available carry-forward Ryan White Title IV grant revenue.	Gross	76,000	
	Federal	76,000	
	GF/GP	0	
e. Medicaid Outreach and Related Services. This transfer shifted \$3.4 million in Federal contingency funds to the Medical Services Cost Reimbursement to Local Health Departments line. The transfer recognizes an increase in Federal reimbursement for costs incurred by local health departments for outreach and related services provided to Medicaid clients.	Gross	3,400,000	
	Federal	3,400,000	
	GF/GP	0	
f. WIC Program Adjustments. This transfer shifted approximately \$1.9 million in Federal and private contingency funds to the Women, Infants, and Children Program Local Agreements and Food Costs line. The transfer recognized both an increase of approximately \$1.2 million in the Federal WIC grant award and an increase of \$690,000 in private infant formula rebates.	Gross	1,866,000	
	Federal	1,176,000	
	Private	690,000	
	GF/GP	0	

		Change From FY 2007-08 Initial Appropriation	
g. Federal Byrne Grant Revenue. This transfer recognized the full availability of Federal Department of Justice Edward Byrne Memorial Justice Assistance Grant revenue. Accordingly, an additional \$1,525,000 in Federal funds is reflected in the Anti-Drug Abuse Grants line.	Gross	1,525,000	
	Federal	1,525,000	
	GF/GP	0	
h. Project FRESH Contributions. A transfer of \$53,000 in private contingency funds was reflected in the Nutrition Services line. This transfer recognized additional private donations used to cover expenditures by the Project FRESH initiative.	Gross	53,000	
	Private	53,000	
	GF/GP	0	
3. State Budget Office Letter 10-31-08			
a. Recognition of Additional Medicaid Administrative Revenue. Additional Federal Medicaid Title XIX revenue to support administrative expenditures in the Mental Health/Substance Abuse Program Administration line was recognized.	Gross	380,000	
	Federal	380,000	
	GF/GP	0	
b. Recognition of Carry-forward Alzheimer's Disease Demonstration Grant Revenue. Carry-forward revenue was added to the Mental Health Initiatives for Older Persons line.	Gross	5,000	
	Federal	5,000	
	GF/GP	0	
c. Additional Available Federal Oil and Gas Revenue. Additional available Federal oil and gas revenue was recognized in the Community Residential and Support Services line.	Gross	360,000	
	Federal	360,000	
	GF/GP	0	
d. Local County Match for the Center of Forensic Psychiatry. Local authorization for the Center for Forensic Psychiatry was increased to reflect the available amount of 10.0% county match revenue.	Gross	300,000	
	Local	300,000	
	GF/GP	0	
e. AIDS Drug Assistance Program Rebate Revenue. Projected expenditures in the AIDS Drug Assistance Program were covered with additional rebate revenue.	Gross	173,000	
	Private	173,000	
	GF/GP	0	
f. Year-End Medicaid Transfer. As part of the book-closing adjustments to Medicaid line items, contingency fund revenue was shifted to support final needed authorization in the Hospital Services and Therapy, Physician Services, and Health Plan Services lines. The contingency fund portion of this transfer was only part of the overall transfer. (See also item D.3.a. below.)	Gross	64,837,000	
	Federal	55,337,000	
	Restricted	9,500,000	
	GF/GP	0	

Change From FY 2007-08 Initial Appropriation	
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- g. Replacement of State Psychiatric Hospitals and Centers Pharmacy System.** The Department of Community Health has submitted a work project to replace the current pharmacy system, which does not meet Federal requirements. This is the contingency fund portion of this transfer. (See also item D.3.e. below.)

Gross	543,500
Federal	182,200
Local	246,000
Restricted	115,300
GF/GP	0

D. TRANSFERS

1. State Budget Office Letter 5-9-08

- a. State Hospitals and Centers Funding Realignment.** A transfer totaling \$2.8 million realigned Federal, local, and CMHSP Purchase of State Services contracts to recognize adjustments in patient census and projected expenditures at State psychiatric hospitals.
- b. Primary Care DSH Payments.** A transfer of General Fund and Federal Preventative Block Grant authorization totaling \$461,200 was approved for the Primary Care Services and Sexually Transmitted Disease Control Local Agreements lines. The transfer properly reflected financing of the Primary Care Disproportionate Share (DSH) payments to Federally Qualified Health Centers.

Gross	0
GF/GP	0
Gross	0
GF/GP	0

2. State Budget Office Letter 7-15-08

- a. Medicaid Consensus Adjustments.** A total transfer of just over \$100.0 million was approved to reflect consensus expenditure estimates for several Medicaid accounts for the remainder of FY 2007-08. A transfer of funds to lines for which initial FY 2007-08 appropriations were expected to be insufficient was completed; this included shifting approximately \$99.3 million to the Health Plan Services line and about \$1.6 million to the Medicaid Adult Benefits Waiver line.

Gross	0
GF/GP	0

3. State Budget Office Letter 10-31-08

- a. Year-End Medicaid Transfer.** As part of the book-closing adjustments to Medicaid line items, funding was shifted from Medicaid accounts showing a surplus to Medicaid accounts projected to end the fiscal year in deficit. Total funding shifted in this portion of the transfer was \$44,761,200. The contingency fund portion of this transfer was only part of the overall transfer. (See also item C.3.f. above.)

Gross	0
GF/GP	0

		Change From FY 2007-08 Initial Appropriation	
b. Medicaid Substance Abuse Services. There was a projected shortfall of \$105,200 in the Medicaid Substance Abuse Services line, addressed with a transfer from surplus funding in the Medicaid Mental Health Services line.	Gross		0
	GF/GP		0
c. Adjustment to Purchase of State Services. Due to a slight increase in placements in State facilities and facility costs, the Purchase of State Services line was projected to close the year with a \$6.4 million shortfall. This shortfall was addressed with the transfer of excess funds from the Mental Health/Substance Abuse Program Administration, Medicaid Mental Health Services, Community Mental Health non-Medicaid Services, Children's Waiver Home Care Program, Center for Forensic Psychiatry, and the Purchase of Medical Services for Residents of Hospitals and Centers lines.	Gross		0
	GF/GP		0
d. Children's Special Health Care Services (CSHCS) Nonemergency Medical Transportation. Due to the increase in fuel costs, there was a \$260,000 shortfall in the CSHCS transportation line, which was addressed with a transfer of excess funds from the CSHCS Medical Care and Treatment line.	Gross		0
	GF/GP		0
e. Replacement of State Psychiatric Hospitals and Centers Pharmacy System. The Department has submitted a work project to replace the current pharmacy system, which does not meet Federal requirements. Funding totaling \$2,701,700 was transferred from the Center for Forensic Psychiatry to support this portion of this transfer. (See also item C.3.g. above.)	Gross		0
	GF/GP		0
f. Recognition of Increased Information Technology Costs. Surplus funding of \$1,120,000 from administrative savings was transferred to cover higher-than-budgeted costs for information technology services.	Gross		0
	GF/GP		0
g. Medicaid Management Information System. A total of \$4.8 million in General Fund support was transferred from a number of lines to the Michigan Medicaid Information Technology System line. This funding, along with a Federal match, will be spent as a work project to help implement the new Medicaid computer system.	Gross		0
	GF/GP		0

DEPARTMENT OF CORRECTIONS

The initial appropriation was contained in Public Act 124 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	17,637.4	17,637.4
Gross	2,078,269,100	2,079,681,100
IDG	1,264,600	1,264,600
Federal	10,340,700	11,752,700
Local	429,700	429,700
Private	0	0
Restricted	70,149,600	70,149,600
GF/GP	1,996,084,500	1,996,084,500
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	Change From FY 2007-08 Initial Appropriation	

A. SUPPLEMENTAL APPROPRIATIONS - NONE

B. EXECUTIVE ORDERS - NONE

C. CONTINGENCY FUND TRANSFERS

State Budget Office Letter 5-9-08

1. **Prisoner Re-Entry.** This transfer provided \$131,000 in Federal funds for prisoner re-entry from the U.S. Department of Labor to the line item that funds prisoner reintegration programs. Funding was used for job training and re-entry services.
2. **Health Care Funding.** Additional U.S. Department of Justice (DOJ) State Criminal Alien Assistance Program funds were available for carryforward. The additional \$1,281,000 funded X-ray, mammogram, and telemedicine equipment in the prison health care clinics.

Gross	131,000
Federal	131,000
GF/GP	0
Gross	1,281,000
Federal	1,281,000
GF/GP	0

D. TRANSFERS

1. State Budget Office Letter 5-8-08

This administrative transfer replaced \$124,000 of DOJ Byrne grant funds with DOJ Residential Substance Abuse Treatment (RSAT) funds within the Substance Abuse Testing and Treatment

Gross	0
Federal	0
GF/GP	0

**Change From FY 2007-08
Initial Appropriation**

Services line item. The Michigan Department of Corrections received less Byrne funding than anticipated while additional RSAT funds were available.

2. State Budget Office Letter 5-9-08

a. Inmate Legal Services. This transfer provided \$390,000 for legal writer services pursuant to a Federal court order in the Knop v. Johnson case. This program provides limited access to courts for prisoners who are unable to assist themselves in drafting and filing legal pleadings. Funding was available at Oaks Correctional Facility due to staff vacancies.

Gross 0
GF/GP 0

b. Correctional Facilities. This transfer provided funding for higher-than-anticipated costs at Egeler, Mound, and Ryan correctional facilities as well as the Special Alternative Incarceration (SAI) program. Egeler was provided an additional \$150,000 to fund security during construction activities. Mound received \$1.8 million and Ryan received \$1.3 million to fund medical coverage-related overtime costs. Since Mound and Ryan provide hospital coverage for prisoners admitted to a Detroit hospital from any correctional facility, their hospital-related overtime is higher than at any of the other facilities. The transfer moved \$600,000 to SAI to fund salaries for high-seniority staff who transferred to SAI after the Southern Michigan Correctional Facility closure. Funding at various correctional facilities was available due to vacancies and spending restrictions.

Gross 0
GF/GP 0

3. State Budget Office Letter 9-10-08

This administrative transfer provided an additional \$500,000 for worker's compensation costs. Funding was available due to vacancies and other cost savings in Unclassified Positions, Community Corrections Comprehensive Plans and Services, and Administrative Hearings Officers.

Gross 0
GF/GP 0

4. State Budget Office Letter 9-11-08

a. Prosecutorial and Detainer Expenses. This transfer provided \$300,000 for higher-than-anticipated costs of detainer payments to counties. Funding was available at Saginaw and St. Louis correctional facilities due to vacancies and purchasing restrictions.

Gross 0
GF/GP 0

b. Prison Food Services. This transfer provided \$2.4 million for higher-than-anticipated commodity and overtime costs in prison food service. Funding was available at various correctional facilities due to vacancies and purchasing restrictions.

Gross 0
GF/GP 0

		Change From FY 2007-08 Initial Appropriation	
c. Transportation. This transfer provided an additional \$1.3 million for offender transportation. The transfer funded increased vehicle and overtime costs. Funding was available in various correctional facilities due to vacancies and purchasing restrictions.	Gross	0	
	GF/GP	0	
d. Prisoner Health Care. This transfer funded hospital and specialty care services for higher-than-anticipated off-site medical care. The \$5,860,000 was available due to clinical social worker vacancies in the substance abuse treatment program, as well as efficiencies and vacancies in the prisoner health care clinics and administration.	Gross	0	
	GF/GP	0	
e. Overtime. Overtime costs were higher than anticipated at four correctional facilities. Costs were higher at Egeler and Parnall correctional facilities due to higher security needs during construction activities. Increased costs at Mound and Ryan correctional facilities were due to an increased number of prisoners at Detroit hospitals. The \$3.2 million was available at several correctional facilities due to vacancies and spending restrictions.	Gross	0	
	GF/GP	0	
f. Prisoner Re-Entry Programming. This transfer moved \$2.4 million from the Michigan Prisoner Re-Entry Initiative (MPRI) to various correctional facilities lines as well as the line that funds parole officers, to provide funding for institutional parole agents and facility coordinators who work exclusively on MPRI. Funding was available through MPRI because of start-up delays in new local MPRI sites during the beginning of the fiscal year.	Gross	0	
	GF/GP	0	
5. State Budget Office Letter 10-29-08	Gross	0	
	GF/GP	0	
This administrative transfer provided \$420,000 for increased worker's compensation expenses. Funding was available due to vacancy savings and purchasing restrictions at Standish, Carson City, and Pine River correctional facilities.			
6. State Budget Office Letter 10-31-08			
a. Prosecutorial and Detainer Expenses. This transfer provided \$620,000 for higher-than-anticipated costs of prosecuting prisoners who commit crimes while in prison. Funding was available at Saginaw and St. Louis correctional facilities due to vacancies and purchasing restrictions.	Gross	0	
	GF/GP	0	
b. Prisoner Health Care. This transfer provided \$2.4 million for higher-than-anticipated off-site medical care visits. Funding was available at the Northern and Southeastern regional health care clinics due to vacancies and the replacement of some registered nurse positions with licensed practical nurse positions.	Gross	0	
	GF/GP	0	

DEPARTMENT OF EDUCATION

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	460.5	466.5
Gross	96,482,400	99,904,800
IDG	0	0
Federal	72,749,800	76,072,200
Local	6,448,900	6,448,900
Private	3,171,800	3,171,800
Restricted	7,036,500	7,136,500
GF/GP	7,075,400	7,075,400
Change From FY 2007-08 Initial Appropriation		

The initial appropriation was contained in Public Act 119 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

A. SUPPLEMENTAL APPROPRIATIONS

Public Act 113 of 2008

Federal funds from the School Aid budget were transferred to the Department of Education budget for one-time costs associated with the creation of a State testing item bank system (\$3.0 million) and the hiring of personnel to create test forms (6.0 FTEs and \$322,400).

FTE	6.0
Gross	3,322,400
Federal	3,322,400
GF/GP	0

B. EXECUTIVE ORDERS - NONE

C. CONTINGENCY FUND TRANSFERS

State Budget Office Letter 5-9-08

The transfer provided additional spending authority in commodity distribution fees to accommodate ongoing operations. Spending authorization had been depleted in order to settle a lawsuit brought by a warehouse provider. The settlement amount in excess of the original authorization was paid with General Fund dollars. The additional authority in this transfer allowed reimbursement of the General Fund expenditures.

Gross	100,000
Restricted	100,000
GF/GP	0

**Change From FY 2007-08
Initial Appropriation**

D. TRANSFERS

1. State Budget Office Letter 9-10-08

The transfer moved \$35,000 in General Fund authorization from the Central Support Operations line to the Workers' Compensation line to cover costs associated with higher-than-anticipated workers' compensation claims. General Fund authorization was available in the Central Support Operations line due to lower-than-anticipated administrative expenditures.

Gross	0
GF/GP	0

2. State Budget Office Letter 9-11-08

The transfer moved \$180,000 in General Fund authorization from the Unclassified Positions line (\$90,000) and the State Board/Superintendent Operations line (\$90,000) to the School Finance and School Law Operations line in order to complete the upgrade of the State School Aid Management System (SAMS). The work had originally been planned to be completed with Federal funds, but that funding was no longer available. General Fund authorization was available in the two lines due to unfilled vacancies.

Gross	0
GF/GP	0

DEPARTMENT OF ENVIRONMENTAL QUALITY - CLEAN MICHIGAN INITIATIVE

The initial appropriation was contained in Public Act 121 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	0.0	0.0
Gross	5,663,200	5,663,200
IDG	0	0
Federal	0	0
Local	0	0
Private	0	0
Restricted	5,663,200	5,663,200
GF/GP	0	0
<hr/> Change From FY 2007-08 Initial Appropriation <hr/>		

- A. SUPPLEMENTAL APPROPRIATIONS - NONE**
- B. EXECUTIVE ORDERS - NONE**
- C. CONTINGENCY FUND TRANSFERS - NONE**
- D. TRANSFERS - NONE**

DEPARTMENT OF ENVIRONMENTAL QUALITY - OPERATIONS

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	1,561.7	1,561.7
Gross	364,931,200	365,831,200
IDG	18,662,900	18,662,900
Federal	131,750,500	132,150,500
Local	0	0
Private	455,100	455,100
Restricted	182,299,500	171,799,500
GF/GP	31,763,200	42,763,200
Change From FY 2007-08 Initial Appropriation		

The initial appropriation was contained in Public Act 121 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

A. SUPPLEMENTAL APPROPRIATIONS

1. Public Act 113 of 2008

a. General Fund Shift. Restricted revenue from fees that supports eight different programs was expected to be short of the amount needed to maintain the current level of service for a number of programs in the Department of Environmental Quality. A supplemental appropriation was enacted to replace the shortfall in restricted revenue with General Fund dollars. The funds with shortfalls were the Air Emissions Fund, Waste Reduction Fee Fund, Mineral Well Regulatory Fee Fund, Land and Water Permit Fee Fund, Environmental Pollution Prevention Fund, Solid Waste Program Fund, Groundwater Discharge Permit Fee Fund, and the On-site Wastewater Treatment Program Fund.

Gross	0
Restricted	(11,000,000)
GF/GP	11,000,000

b. Real-Time Water Quality Monitoring. Revenue from settlement funds was appropriated to support an ongoing real-time water quality monitoring project in the St. Clair River watershed in Macomb County. The grant recipients are required to submit status reports on the project and a project plan for the grant.

Gross	250,000
Restricted	250,000
GF/GP	0

**Change From FY 2007-08
Initial Appropriation**

2. Public Act 279 of 2008

Water Withdrawal Assessment Program. Enactment of the Great Lakes Compact and accompanying water withdrawal regulations created additional responsibilities for the Department of Environmental Quality for operation of an internet-based water withdrawal assessment tool, continuing maintenance of the assessment tool and monitoring system, and increased staff oversight of allowable withdrawals and support for the Water Resources Conservation Advisory Council. The legislation required that the first phase of the water withdrawal assessment tool be available by October 2008. A supplemental appropriation from the Clean Water Fund was enacted to pay for this expense. The FY 2008-09 budget includes annual funding for the new program.

Gross	250,000
Restricted	250,000
GF/GP	0

B. EXECUTIVE ORDERS - NONE

C. CONTINGENCY FUND TRANSFERS

State Budget Office Letter 5-9-08

Lake Superior Shoreline Land Purchase. Federal funding from the Coastal and Estuarine Land Conservation Program was available to purchase 200 acres of land on the Lake Superior shoreline in the Keweenaw Peninsula. The Department of Natural Resources will purchase the land using these funds. However, since the Department of Environmental Quality is the approved recipient of funding from this source, the money had to flow through this Department's budget. The transfer enabled receipt and expenditure of the funding for the land purchase.

Gross	400,000
Federal	400,000
GF/GP	0

D. TRANSFERS

1. State Budget Office Letter 5-9-08

Contaminated Former Military Site Cleanup. Federal funding of \$650,000 from the U.S. Department of Defense was available to support the cleanup of contaminated former military property. Types of sites include leaking underground storage tanks, abandoned landfills, unexploded ordnance, and underground plumes. Excess authorization was available from the Superfund program for transfer to the management line item so cleanup work can move forward.

Gross	0
GF/GP	0

**Change From FY 2007-08
Initial Appropriation**

2. State Budget Office Letter 9-10-08

a. Rent Adjustments. An administrative transfer was adopted to adjust the restricted fund sources that support the appropriation for rent in privately owned property pursuant to the cost allocation plan for administrative expenses. A total of \$188,400 was transferred.	Gross	0
	GF/GP	0
b. Building Occupancy Charges. An administrative transfer was adopted to adjust the restricted fund sources that support the appropriation for building occupancy charges pursuant to the cost allocation plan for administrative expenses. A total of \$949,600 was transferred.	Gross	0
	GF/GP	0
c. Central Operations. An administrative transfer was adopted to adjust the restricted fund sources that support the appropriation for central operations pursuant to the cost allocation plan for administrative expenses. A total of \$183,900 was transferred.	Gross	0
	GF/GP	0
d. Air Quality. An administrative transfer was adopted to align Federal funding of \$24,000 with the appropriate programs in air quality and information technology.	Gross	0
	GF/GP	0

EXECUTIVE

The initial appropriation was contained in Public Act 127 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	74.2	74.2
Gross	5,317,300	5,317,300
IDG	0	0
Federal	0	0
Local	0	0
Private	0	0
Restricted	0	0
GF/GP	5,317,300	5,317,300
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Change From FY 2007-08 Initial Appropriation		

- A. SUPPLEMENTAL APPROPRIATIONS - NONE
- B. EXECUTIVE ORDERS - NONE
- C. CONTINGENCY FUND TRANSFERS - NONE
- D. TRANSFERS - NONE

HIGHER EDUCATION

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	1.0	1.0
Gross	1,896,375,700	1,886,675,700
IDG	0	0
Federal	7,400,000	115,198,600
Local	0	0
Private	0	0
Restricted	127,200,000	101,650,000
GF/GP	1,761,775,700	1,669,827,100
Change From FY 2007-08 Initial Appropriation		

The initial appropriation was contained in Public Act 136 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

A. SUPPLEMENTAL APPROPRIATIONS

1. Public Act 113 of 2008

Michigan Merit Awards and Promise Grants. There were reductions in Michigan Merit Award Trust Fund revenue of \$7.7 million for the Michigan Merit Award Program and \$2.0 million for the Michigan Promise Grant Program to more accurately reflect expected expenditure levels. This \$9.7 million reduction in Merit Award Trust Fund revenue was used to offset shortfalls in other programs funded from the Merit Award Trust Fund.

Gross	(9,700,000)
Restricted	(9,700,000)
GF/GP	0

2. Public Act 279 of 2008

Temporary Assistance for Needy Families (TANF) Fund Shift. According to the State Budget Office, State spending for certain grants and financial aid programs in the Higher Education budget is eligible to be funded from TANF revenue. Specifically, the Budget Office identified Michigan Competitive Scholarships, Michigan Tuition Grants, and the Tuition Incentive Program as TANF-eligible because they meet one of the TANF purposes, which is "to prevent and reduce the incidence of out-of-wedlock pregnancies". This supplemental replaced \$2,900,000 in Federal Higher Education Act funding, \$15,850,000 in Michigan Merit Award Trust Fund revenue, and \$91,948,600 in State GF/GP revenue, with \$110,698,600 in TANF funding in order to shift State Restricted and State GF/GP revenue to the Michigan Department of Human

Gross	0
Federal	107,798,600
Restricted	(15,850,000)
GF/GP	(91,948,600)

Services (DHS). The fund shift to the DHS was part of the State's effort to maximize the receipt of Federal TANF contingency funding available to Michigan due to its poor economic condition.

B. EXECUTIVE ORDERS - NONE

C. CONTINGENCY FUND TRANSFERS - NONE

D. TRANSFERS

State Budget Office Letter 9-11-08

Shortfalls in Financial Aid Programs. Two of the financial aid programs in the Higher Education budget, Michigan Tuition Grants and the Tuition Incentive Program (TIP), had FY 2007-08 payment levels that exceeded their appropriations. Payments for the Children of Veterans Tuition Grant Program did not exceed its appropriation but revenue collections from the State income tax check-off that finances this program were insufficient. The Michigan Promise Grant Program spent only \$38.2 million of its \$41.5 million appropriation, resulting in an excess appropriation of approximately \$3.3 million. This transfer request used \$1,595,000 of the \$3.3 million Promise Grant balance to fund the shortfalls in Tuition Grants (\$415,000), TIP (\$569,000), and Children of Veterans Tuition Grants (\$611,000).

DEPARTMENT OF HISTORY, ARTS, AND LIBRARIES

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	230.0	230.0
Gross	49,502,900	49,551,200
IDG	139,200	139,200
Federal	7,307,400	7,355,700
Local	0	0
Private	112,400	112,400
Restricted	2,645,600	2,645,600
GF/GP	39,298,300	39,298,300
Change From FY 2007-08 Initial Appropriation		

The initial appropriation was contained in Public Act 254 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

A. SUPPLEMENTAL APPROPRIATIONS - NONE

B. EXECUTIVE ORDERS - NONE

C. CONTINGENCY FUND TRANSFERS

State Budget Office Letter 5-9-08

Michigan Historical Program. The transfer increased Federal spending authority for the State Historic Preservation Office to realign it with actual revenue levels as additional funds were made available from the U.S. Department of the Interior. A similar adjustment was made to the FY 2008-09 budget.

Gross	48,300
Federal	48,300
GF/GP	0

D. TRANSFERS - NONE

DEPARTMENT OF HUMAN SERVICES

The initial appropriation was contained in Public Act 248 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	10,575.4	10,575.4
Gross	4,577,393,200	4,963,911,900
IDG	2,416,000	2,416,000
Federal	3,147,497,400	3,409,045,000
Local	50,331,900	60,954,300
Private	9,039,200	9,039,200
Restricted	59,698,600	75,548,600
GF/GP	1,308,410,100	1,406,908,800
Change From FY 2007-08 Initial Appropriation		

A. SUPPLEMENTAL APPROPRIATIONS

1. Public Act 113 of 2008

a. Nutrition Education Grant. Additional Federal authorization was added to the nutrition education line to account for increased Federal grants for the Food Stamp Nutrition Education Plan.	Gross Federal GF/GP	9,688,400 9,688,400 0
b. Foster Care Payment Adjustment. Additional funding was provided for the Foster Care Payments and Child Care Fund lines to account for an increase in the administrative rate paid to child placing agencies included in the FY 2007-08 Department of Human Services (DHS) appropriation.	Gross Federal Local GF/GP	3,119,800 483,300 622,400 2,014,100
c. Adoption Subsidy Payment Adjustment. The supplemental restored a 4.0% adoption rate increase included in the enrolled FY 2007-08 appropriation. The increase was vetoed because of a drafting error.	Gross Federal GF/GP	374,600 138,600 236,000
d. Community Services Block Grant. The supplemental provided \$300,000 GF/GP to the Newberry Community Action Agency.	Gross GF/GP	300,000 300,000

Change From FY 2007-08 Initial Appropriation	
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e. **Day Care Provider Rate Increase.** An increase in reimbursement rates to all providers in the child development and care program was provided in the supplemental. The full-year value of the rate increase is about 2.5%.

Gross	4,000,000
GF/GP	4,000,000

2. Public Act 279 of 2008

a. **Temporary Assistance for Needy Families (TANF) Fund Shift.** The supplemental replaced \$107.8 million in TANF funding that was supporting activities funded through the Families First, Child Safety and Permanency Planning, Field Staff, Salaries and Wages and the Payroll Taxes and Fringe Benefits lines with GF/GP and Michigan Merit Award funding. This fund source adjustment was completed to increase claimable Maintenance of Effort and assist the State in qualifying for a contingency grant through the Federal TANF program.

Gross	0
Federal	(107,798,600)
Restricted	15,850,000
GF/GP	91,948,600

b. **Newberry Community Action Agency Adjustment.** The supplemental shifted funding for the Newberry Community Action Agency to a new line.

Gross	0
GF/GP	0

B. EXECUTIVE ORDERS - NONE

C. CONTINGENCY FUND TRANSFERS

1. State Budget Office Letter 5-9-08

a. **Federal Hurricane Katrina Grant.** Federal authorization in the Emergency Services Local Office Allocations line was increased by \$304,300 to account for remaining Federal awards granted to assist the victims of Hurricane Katrina.

Gross	304,300
Federal	304,300
GF/GP	0

b. **Low Income Home Energy Assistance Program (LIHEAP).** A transfer of \$15.6 million in Federal contingency authorization was completed to fully recognize an increase in Federal LIHEAP funding allocated in January 2008.

Gross	15,631,600
Federal	15,631,600
GF/GP	0

c. **Youth in Transition.** Federal contingency funding was transferred into the Youth in Transition line to account for additional Federal Title IV-E funds available for education training vouchers.

Gross	1,100,000
Federal	1,100,000
GF/GP	0

**Change From FY 2007-08
Initial Appropriation**

2. State Budget Office Letter 6-16-08

Foster Care Caseload Consensus Adjustment. Local contingency authorization of \$10.0 million was transferred to the Foster Care Payments line. This adjustment was part of the DHS caseload consensus reached between the Senate Fiscal Agency, House Fiscal Agency, and Office of State Budget in May 2008.

Gross	10,000,000
Local	10,000,000
GF/GP	0

3. State Budget Office Letter 10-31-08

a. Information Technology Services and Projects. A transfer of \$7.0 million in Federal contingency authorization was made into the Information Technology Services and Projects line to account for unanticipated growth in Federal revenue available for information technology activities.

Gross	7,000,000
Federal	7,000,000
GF/GP	0

b. Bridges Computer Project. A transfer of \$43.0 million in Federal contingency authorization was blended with \$18.0 million GF/GP from other sources to support the Bridges computer system upgrade through FY 2008-09.

Gross	43,000,000
Federal	43,000,000
GF/GP	0

D. TRANSFERS

1. State Budget Office Letter 5-9-08

a. Children's Rights Lawsuit Costs. A transfer of \$5.5 million in Federal and GF/GP funds from the Field Staff, Salaries and Wages line to the Contractual Services, Supplies and Materials line was made to account for legal costs associated with the Children's Rights lawsuit.

Gross	0
Federal	0
GF/GP	0

b. Placement Costs from Maxey Juvenile Facility. The FY 2007-08 DHS appropriation mandated the transfer of 80 youths from the Maxey juvenile facility to private facilities. Delays in these transfers necessitated a transfer of \$2.9 million GF/GP from the Field Staff, Salaries and Wages line to the High Security Juvenile Services line.

Gross	0
GF/GP	0

c. Adrian Training School. A transfer of \$500,000 GF/GP was made from the Field Staff, Salaries and Wages line to the Medium Security Juvenile Services line. This transfer was necessary to cover the cost of unanticipated growth in the number of female youths at the Adrian Training School.

Gross	0
GF/GP	0

		Change From FY 2007-08 Initial Appropriation	
d. Electronic Benefit Transfer (EBT). Growth in the caseload of the Food Assistance Program increased cost in the Electronic Benefit Transfer line. Federal and GF/GP support of \$200,000 was transferred from the Contractual Services, Supplies and Materials line to account for this increase.		Gross	0
		Federal	0
		GF/GP	0
2. State Budget Office Letter 6-16-08			
Caseload Consensus Adjustment Child Care Fund. About \$10.0 million GF/GP was transferred from the Foster Care Payments and Payroll Taxes and Fringe Benefits lines to account for a GF/GP shortfall in the Child Care Fund line. This shortfall was identified as part of the May Department of Human Services caseload consensus reached between the Senate Fiscal Agency, House Fiscal Agency, and Office of State Budget.		Gross	0
		GF/GP	0
3. State Budget Office Letter 9-11-08			
a. Contractual Services, Supplies and Materials. Increased cost for postage, office supplies, and legal services associated with the Children's Rights lawsuit necessitated a transfer of \$1.0 million in Federal authorization and GF/GP dollars. The funds were transferred from the Field Staff, Salaries and Wages line.		Gross	0
		Federal	0
		GF/GP	0
b. Child Care Fund. Increased expenditure through the Child Care Fund necessitated a transfer of \$2.0 million GF/GP from the Employment and Training Support Services line.		Gross	0
		GF/GP	0
c. State Office of Administrative Hearings and Rules (SOAHR). Federal and GF/GP support of \$240,000 was transferred to the SOAHR line to account for additional billing from the Department of Labor and Economic Growth for Medicaid hearings. Funds were transferred from the Employment and Training Support Services line.		Gross	0
		Federal	0
		GF/GP	0
d. Wage Employment Verification Reporting. Increased vital records services costs made a transfer of \$73,100 in Federal and GF/GP support necessary. These funds were transferred from the Employment and Training Support Services line.		Gross	0
		Federal	0
		GF/GP	0
4. State Budget Office Letter 10-31-08			
a. Bridges Transfer. To help fund the completion of the Bridges computer project in fiscal year 2008-09, \$18.0 million GF/GP was transferred from the Field, Staff, Salaries and Wages line and the Payroll Taxes and Fringe Benefits line. A transfer of \$43.0 million in Federal contingency funds was included in this transfer as well.		Gross	0
		GF/GP	0

- b. **Child Support Automation.** A transfer of \$145,900 GF/GP was completed between the State Disbursement Unit line and the Child Support Automation line. The funds are necessary to complete upgrades in the Michigan Child Support Enforcement System (MiCSES) computer system.

E. OTHER ADJUSTMENTS

Food Assistance Program (FAP) Adjustment. Boilerplate Section 620 of the FY 2008-09 DHS appropriation permits the Department to make adjustments in Federal authorization available to the Food Assistance Program. The Department provided a letter to the Senate Appropriations Committee making a \$292.0 million adjustment in Federal authorization for FAP on June 6, 2008.

Change From FY 2007-08 Initial Appropriation	
Gross	0
GF/GP	0
Gross	292,000,000
Federal	292,000,000
GF/GP	0

DEPARTMENT OF INFORMATION TECHNOLOGY

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	1,774.4	1,774.4
Gross	428,868,100	508,664,200
IDG	428,868,100	508,664,200
Federal	0	0
Local	0	0
Private	0	0
Restricted	0	0
GF/GP	0	0
Change From FY 2007-08 Initial Appropriation		

The initial appropriation was contained in Public Act 127 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

- A. SUPPLEMENTAL APPROPRIATIONS - NONE**
- B. EXECUTIVE ORDERS - NONE**
- C. CONTINGENCY FUND TRANSFERS**

Pursuant to Public Act (P.A.) 127 of 2007, transfers in other departments to or from information technology line items automatically adjusted the Department of Information Technology appropriation.

1. State Budget Office Letter 5-9-08

Department of State Police. This transfer within the Department of State Police provided additional funding for criminal justice information systems. Additional Criminal Justice Information Center Service Fee revenue was available due to an increase in fingerprint and criminal background checks of employees in the education and health care fields due to the enactment of P.A. 680 of 2006 and P.A. 26 of 2006.

Gross	500,000
IDG	500,000
GF/GP	0

**Change From FY 2007-08
Initial Appropriation**

2. State Budget Office Letter 9-11-08

Department of State Police. This transfer within the Department of State Police moved State restricted contingency revenue to the Information Technology Services and Projects program pursuant to Section 240 of P.A. 130 of 2007 (the State Police FY 2007-08 appropriation). The additional authorization was used for maintenance costs associated with the traffic crash reporting system. Additional traffic crash reporting revenue was available due to an increase in the demand for copies of accident reports.

Gross	175,000
IDG	175,000
GF/GP	0

3. State Budget Office Letter 10-31-08

a. Department of Community Health. This transfer within the Department of Community Health from local, State restricted, and Federal contingency funds increased a recently submitted FY 2007-08 work project to replace the State psychiatric hospital/center pharmacy system.

Gross	543,500
IDG	543,500
GF/GP	0

b. Department of Human Services. There were two transfers within the Department of Human Services from Federal contingency revenue to information technology services and projects. Federal authorization of \$7.0 million in the Information Technology Services and Projects line accounted for unanticipated growth in Federal revenue available for expenditure in FY 2007-08, and \$43.0 million funded a portion of the Temporary Assistance for Needy Families (TANF) contingency fund spending plan provided to the Legislature on September 29, 2008. This additional Federal authorization was used for Bridges computer system expenditures and encumbrances.

Gross	50,000,000
IDG	50,000,000
GF/GP	0

D. TRANSFERS

Pursuant to P.A. 127 of 2007, transfers in other departments to or from information technology line items automatically adjusted the Department of Information Technology appropriation.

1. State Budget Office Letter 5-9-08

Department of State Police. This transfer within the Department of State Police properly aligned expenditures with available funding sources between the Training Only to Local Units, Motor Carrier Enforcement, Safety Inspections and Information Technology Services and Projects program lines.

Gross	470,000
IDG	470,000
GF/GP	0

**Change From FY 2007-08
Initial Appropriation**

2. State Budget Office Letter 9-11-08

a. Department of Attorney General. This transfer within the Department of Attorney General from the Unclassified positions line item to the Information Technology Services and Projects line item appropriated excess General Fund authorization available from Unclassified positions due to turnover and vacancies. The Information Technology Services and Projects line needed the excess spending authority to cover ongoing technology-related costs due to previous underfunding.	Gross IDG GF/GP	240,000 240,000 0
b. Department of Management and Budget. This transfer within the Department of Management and Budget provided funding for the Michigan State Fair to pay outstanding balances with vendors. Funds were available in the Information Technology Services and Projects line due to spending restrictions and delays in filling vacant positions.	Gross IDG GF/GP	(100,000) (100,000) 0
c. Department of State Police. The Department of State Police had two legislative transfers affecting the Information Technology Services and Projects line. These include: a transfer in of \$1.6 million in State restricted funds from at-post troopers for personnel costs and lease, maintenance, and upgrade costs associated with the Automated Fingerprint Identification System (AFIS), and a transfer out of \$400,000 in Federal funds to the Laboratory Operations and DNA Analysis Program to align expenditures with correct program lines.	Gross IDG GF/GP	1,200,000 1,200,000 0

3. State Budget Office Letter 10-31-08

a. Department of Community Health. There were three transfers within the Department of Community Health that affected information technology funding. The first, in the amount of \$2,701,200, increased a recently submitted FY 2007-08 work project to replace the State psychiatric hospital/center pharmacy system. Funds were available due to the late budget and hiring challenges. The second transfer consisted of \$1,120,000 and recognized higher-than-anticipated desktop services costs, new server hosting charges, and increased data processing costs. Balances were available in various administrative appropriations due to vacancy savings and operational efficiencies. The third transfer, of \$4.8 million, was from various line items to cover projected FY 2007-08 expenditures for the Michigan Medicaid Information System project, including additional hosting, provider training, and equipment costs. General Fund balances were available in various line items due to the late FY 2007-08 final budget, hiring challenges, and vacancy, contractual and Executive Directive savings.	Gross IDG GF/GP	8,621,700 8,621,700 0
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- b. **Department of Human Services.** There were two transfers in the Department of Human Services that affected information technology spending. The first, in the amount of \$18.0 million, funded a portion of the TANF contingency fund spending plan provided to the Legislature on September 29, 2008. The funding was used for Bridges computer system expenditures and encumbrances. Funding was available for transfer from the Field Staff, Salaries and Wages and Payroll Taxes and Fringe benefits lines due to unanticipated delays in filling newly authorized positions and new vacancies created by the promotion or departure of employees in FY 2007-08. The second transfer, in the amount of \$145,900, aligned the sources of financing to cover projected fiscal year 2007-08 expenditures for updates and improvements to the Michigan Child Support Enforcement System (MiCSES) computer system. The State Disbursement Unit line had funding available for transfer because of cost savings achieved through increased use of electronic disbursement of child support.

Change From FY 2007-08 Initial Appropriation	
Gross	18,145,900
IDG	18,145,900
GF/GP	0

JUDICIARY

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	519.0	519.0
Gross	259,291,500	259,781,000
IDG	2,523,500	2,523,500
Federal	4,626,400	4,626,400
Local	5,409,700	5,899,200
Private	842,500	842,500
Restricted	87,892,700	87,892,700
GF/GP	157,996,700	157,996,700
Change From FY 2007-08 Initial Appropriation		

The initial appropriation was contained in Public Act 125 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

A. SUPPLEMENTAL APPROPRIATIONS

Public Act 113 of 2008

This supplemental appropriation of \$489,500 in local user fees provided support for a new trial court caseload system. This funding was an advance from several local jurisdictions for the new system agreed to by a majority of local trial courts, judges, and the State Court Administrative Office. The project will have a total cost of \$8.0 million to \$12.0 million and be implemented over four years.

Gross	489,500
Local	489,500
GF/GP	0

B. EXECUTIVE ORDERS - NONE

C. CONTINGENCY FUND TRANSFERS - NONE

D. TRANSFERS - NONE

DEPARTMENT OF LABOR AND ECONOMIC GROWTH

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	4,282.5	4,292.5
Gross	1,301,230,700	1,311,507,700
IDG	34,472,800	34,472,800
Federal	820,712,500	820,712,500
Local	15,884,700	15,884,700
Private	5,314,300	5,314,300
Restricted	378,843,700	389,120,700
GF/GP	46,002,700	46,002,700
Change From FY 2007-08 Initial Appropriation		

The initial appropriation was contained in Public Act 251 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

A. SUPPLEMENTAL APPROPRIATIONS

Public Act 113 of 2008

This supplemental provided \$420,000 and 10.0 FTEs to the Office of Financial and Insurance Regulation to expand antipredatory lending activities, including additional examinations of mortgage issuers, investigations, and related hearings.

FTE	10.0
Gross	420,000
Restricted	420,000
GF/GP	0

B. EXECUTIVE ORDERS - NONE

C. CONTINGENCY FUND TRANSFERS

State Budget Office Letter 5-9-08

1. Implementation of Statutory Changes. This transfer increased the line item for Commercial Services to provide the Department with the expenditure authority necessary to implement enforcement of the Occupational Code against unlicensed builders pursuant to Public Act 157 of 2007, and regulation of mixed martial arts contests pursuant to Public Act 196 of 2007. This transfer increased expenditure authority for the Builder Enforcement Fund by \$210,000, corporation fees by \$50,000, and the Unarmed Combat Fund by \$10,000.

Gross	270,000
Restricted	270,000
GF/GP	0

Change From FY 2007-08 Initial Appropriation	
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<p>2. Homeowner Construction Lien Recovery Fund. Due to an increase in the volume of lien claims filed and judgments awarded, this transfer increased spending authority from the Homeowner Construction Lien Recovery Fund within the line item for Commercial Services to cover projected expenditures using available revenue in the Fund.</p>	Gross	860,000
	Restricted	860,000
	GF/GP	0
<p>3. Liquor Law Enforcement Grants. The Liquor Control Commission implemented new types of liquor licenses pursuant to Public Act 501 of 2006, which created additional on-premise licenses in designated redevelopment areas and development districts. Under the Liquor Control Code, 55.0% of all license revenue collected must be returned to local units of government for enforcement purposes. The transfer increased the spending authority for the Liquor Control Commission to accommodate the new revenue and increased liquor law enforcement grants.</p>	Gross	407,000
	Restricted	407,000
	GF/GP	0
<p>4. Cost of Cemetery Conservator. In order to pay for the services provided by a court-appointed conservator overseeing the operations of the Chapel Hill Memorial Gardens, a State-regulated cemetery located in Grand Rapids, this transfer increased spending authority in licensing and regulation fees within the Bureau of Commercial Services. The Bureau will be reimbursed for the conservatorship expenses when the cemetery is sold.</p>	Gross	250,000
	Restricted	250,000
	GF/GP	0
<p>5. Captive Insurance Companies. This transfer increased the spending authority in the Financial Evaluation line to accommodate new revenue and expenditures related to the regulation of captive insurance companies pursuant to P.A. 29 of 2008.</p>	Gross	70,000
	Restricted	70,000
	GF/GP	0
<p>6. Unemployment Insurance-Interest on Federal Loans. In order to facilitate the payment of interest on Federal loans for the unemployment program, this transfer increased the Unemployment Programs line item and added \$8.0 million in spending authorization to the contingency fund, regular penalty and interest account within the Unemployment Insurance Agency.</p>	Gross	8,000,000
	Restricted	8,000,000
	GF/GP	0

D. TRANSFERS

1. State Budget Office Letter 5-8-08		
<p>a. Payday Lending Administration. The administrative transfer adjusted fund sources for the Policy Conduct and Consumer Assistance Line within the Office of Financial and Insurance Regulation for the administration of deferred presentment transactions (payday lending). The transfer shifted \$400,000 of expenditure authority from insurance regulatory fees to deferred presentment service transaction fees in order for the Office to support the contractual costs of the deferred presentment database.</p>	Gross	0
	GF/GP	0

		Change From FY 2007-08 Initial Appropriation	
b. Securities Regulation. The administrative transfer adjusted fund sources for the Policy Conduct and Consumer Assistance Line within the Office of Financial and Insurance Regulation for securities regulatory activities by shifting \$450,000 of spending authorization from insurance regulatory fees to securities fees.	Gross	0	
	GF/GP	0	
c. Fire Fighters Training Council. This administrative transfer made minor adjustments in Federal funding sources for the line item for the Fire Fighters Training Council to reflect funding availability. The transfer moved \$3,000 of spending authority of Federal Emergency Management Agency funding to Federal Department of Transportation (DOT) funding to use the full Federal DOT award.	Gross	0	
	GF/GP	0	
d. Fire Safety Program Funding. The interdepartmental grants (IDGs) that support this line were adjusted based on the level of inspections provided and funds available, to reflect the expenditures for inspections of nursing homes and hospitals. The transfer moved \$31,500 from the IDG from Department of State Police, homeland security, to the IDG from Department of Community Health, inspection contract.	Gross	0	
	GF/GP	0	
e. Occupational Safety and Health. The transfer adjusted fund sources for the Occupational Safety and Health line within the Michigan Occupational Safety and Health Administration. Less funding was available from licensing and regulation fees than had been expected. The excess spending authority for that fund source was reduced by \$1,174,800 and expenditure authority for corporation fees was increased by the same amount.	Gross	0	
	GF/GP	0	
f. Bureau of Worker's and Unemployment Compensation. The administrative transfer adjusted fund sources for the wage and hour division, shifting \$789,700 of expenditure authority from licensing and regulation fees, which had lower revenue than anticipated, to corporation fees.	Gross	0	
	GF/GP	0	
2. State Budget Office Letter 9-10-08			
State Office of Administrative Hearings and Rules. This administrative transfer increased the expenditure authority for the IDG from the Department of Human Services by \$240,000 due to the increase in cases referred and the level of billings. Unused expenditure authority from the IDG from the Department of Education was reduced by the same amount.	Gross	0	
	GF/GP	0	

LEGISLATIVE AUDITOR GENERAL

The initial appropriation was contained in Public Act 127 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	0.0	0.0
Gross	15,828,200	15,828,200
IDG	1,801,500	1,801,500
Federal	0	0
Local	0	0
Private	0	0
Restricted	1,539,900	1,539,900
GF/GP	12,486,800	12,486,800
Change From FY 2007-08 Initial Appropriation		

- A. SUPPLEMENTAL APPROPRIATIONS - NONE**
- B. EXECUTIVE ORDERS - NONE**
- C. CONTINGENCY FUND TRANSFERS - NONE**
- D. TRANSFERS - NONE**

DEPARTMENT OF MANAGEMENT AND BUDGET

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	747.5	747.5
Gross	468,069,800	494,112,600
IDG	156,805,700	156,805,700
Federal	0	0
Local	0	0
Private	0	0
Restricted	50,429,700	50,429,700
GF/GP	260,834,400	286,877,200
Change From FY 2007-08 Initial Appropriation		

The initial appropriation was contained in Public Act 127 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

FTE
Gross
IDG
Federal
Local
Private
Restricted
GF/GP

A. SUPPLEMENTAL APPROPRIATIONS

Public Act 279 of 2008

State-Sponsored Group Insurance Fund. The supplemental provided an appropriation of \$21,542,800 to the State-Sponsored Group Insurance Fund to meet Federal requirements concerning the adequate funding of State employee group insurance accounts. The GF/GP appropriation was offset during the FY 2007-08 book-closing by appropriation lapses resulting from reductions in the rates paid by departments for State employee group insurance funds. The supplemental also provided a \$4.5 million GF/GP appropriation for transitional funding for the Detroit Zoological Society.

Gross 26,042,800
GF/GP 26,042,800

B. EXECUTIVE ORDERS - NONE

C. CONTINGENCY FUND TRANSFERS - NONE

**Change From FY 2007-08
Initial Appropriation**

D. TRANSFERS

State Budget Office Letter 9-11-08

Gross	0
GF/GP	0

Michigan State Fair. This legislative transfer provided GF/GP funding of \$500,000 to the Michigan State Fair to pay for outstanding balances with vendors. The transfer was necessary due to lower-than-anticipated Fair revenue during the 2008 State Fair resulting from lower-than-expected attendance. Funds were available in several line items due to spending restrictions and delays in filling vacant positions.

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

The initial appropriation was contained in Public Act 126 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	1,015.0	1,015.0
Gross	129,430,700	135,690,700
IDG	1,680,900	1,680,900
Federal	56,187,500	61,686,600
Local	1,283,900	1,283,900
Private	1,463,300	1,463,300
Restricted	28,428,600	29,072,200
GF/GP	40,386,500	40,503,800

Change From FY 2007-08
Initial Appropriation

A. SUPPLEMENTAL APPROPRIATIONS

1. Public Act 113 of 2008

Veterans Service Organizations Grant Increase. Public Act 113 provided a 3.0% across-the-board increase to the 11 veterans service organizations that currently receive grants from the State, for an increase of \$117,300 GF/GP. This brought the total appropriation for these grants for FY 2007-08 to \$4,029,600.

Gross	117,300
GF/GP	117,300

2. Public Act 279 of 2008

Starbase Grant. Public Act 279 added \$1,045,700 in Federal National Guard Bureau funds for the wholly federally funded Starbase program, a science-based program for at-risk grade school-aged youths in the State. The funds are used in part to train Starbase coordinators who operate Starbase programs in other states.

Gross	1,045,700
Federal	1,045,700
GF/GP	0

B. EXECUTIVE ORDERS - NONE

**Change From FY 2007-08
Initial Appropriation**

C. CONTINGENCY FUND TRANSFERS

1. State Budget Office Letter 5-9-08

a. Military Training Sites Support. This legislative transfer provided an additional \$1.5 million in new Federal funds for contracted security guard to guard the airstrips at Battle Creek and Selfridge Air National Guard bases and to cover higher-than-anticipated utility costs and salary costs for those employees who are 100% federally funded at the State's military training sites.	Gross Federal GF/GP	1,500,000 1,500,000 0
b. Additional Non-GF/GP Support for the Grand Rapids Veterans Home. This legislative transfer increased the Medicare D authorization by \$700,000 to cover allowable prescription drug program costs available from Federal Health and Human Services funds and increased Federal Department of Veterans Affairs funds by \$600,000 for recreational, rehabilitative, and other activities for veterans.	Gross Federal GF/GP	1,300,000 1,300,000 0
c. Additional Non-GF/GP Support for the D. J. Jacobetti Veterans Home. This legislative transfer increased the Medicare D authorization by \$72,400 to cover allowable prescription drug program costs available from Federal Health and Human Services funds and increased Federal Department of Veterans Affairs funds by \$300,000 for renovations and room upgrades.	Gross Federal GF/GP	372,400 372,400 0
d. Starbase Program. This legislative transfer provided an additional \$246,000 in Federal funds for technology training for the Starbase program.	Gross Federal GF/GP	246,000 246,000 0

2. State Budget Office Letter 5-15-08

Grand Rapids Veterans Home. This legislative transfer provided additional restricted funds of \$643,600 available due to a stability in member census in combination with increases in social security and veteran pension benefits for FY 2007-08, for the purpose of covering projected operating costs for veterans programs.	Gross Restricted GF/GP	643,600 643,600 0
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3. State Budget Office Letter 9-11-08

a. Headquarters and Armories. This transfer provided for additional Federal Department of Defense funds made available for telecommunication and supply costs for the Headquarter and Armories unit.	Gross Federal GF/GP	510,000 510,000 0
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Change From FY 2007-08 Initial Appropriation	
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b. **Challenge Program.** This transfer provided \$425,000 in additional Federal Department of Defense funds for clothing, computers, and other supplies for the Michigan Challenge program.

Gross	425,000
Federal	425,000
GF/GP	0

c. **Grand Rapids Veterans Home.** This legislative transfer increased the Medicare D authorization of \$100,000 to cover allowable prescription drug program costs with available Federal Health and Human Services funds.

Gross	100,000
Federal	100,000
GF/GP	0

D. TRANSFERS

State Budget Office Letter 9-11-08

1. **Military Retirement.** This legislative transfer shifted \$190,000 GF/GP from the Military Training Sites and Support Facilities unit, available due to lower costs realized in the State Education Reimbursement Program, to the Military Retirement line to cover higher-than-anticipated costs associated with payments to retirees and their surviving spouses.

Gross	0
GF/GP	0

2. **Military Training Sites.** This transfer moved \$200,000 in excess Federal Department of Defense funds appropriated for the Departmentwide Appropriations line to the Military Training Sites and Support Facilities unit for operations and maintenance costs at various facilities.

Gross	0
GF/GP	0

DEPARTMENT OF NATURAL RESOURCES

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	2,082.9	2,087.9
Gross	288,195,400	289,245,400
IDG	3,808,300	3,808,300
Federal	47,968,900	47,968,900
Local	0	0
Private	3,166,500	3,166,500
Restricted	210,508,500	210,558,500
GF/GP	22,743,200	23,743,200
Change From FY 2007-08 Initial Appropriation		

The initial appropriation was contained in Public Act 122 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

A. SUPPLEMENTAL APPROPRIATIONS

Public Act 113 of 2008

1. **Wildfire Protection.** In the initial appropriation act for FY 2007-08, the Governor vetoed funding for grants to soil conservation districts for which money had been moved from other parts of the Department of Natural Resources (DNR) budget. This supplemental appropriation restored funding to the wildfire-fighting program that had been moved to the soil conservation program in the enrolled bill.
2. **Forest Recreation.** In the initial appropriation act for FY 2007-08, the Governor vetoed funding for grants to soil conservation districts for which money had been moved from other parts of the DNR budget. This supplemental appropriation restored funding to the forest recreation program that had been moved to the soil conservation program in the enrolled bill. This funding is used primarily to groom cross-country ski trails in the winter and for maintenance at State forest campgrounds in the summer.
3. **St. Jean Public Boat Launch.** Funding from the Michigan State Waterways Fund was appropriated to support necessary improvements at the Vaughn-Reid marine launching park, including the installation of a floating dock, dredging to remove material impeding boater access, and on-site fencing.

FTE	5.0
Gross	500,000
GF/GP	500,000
Gross	500,000
GF/GP	500,000
Gross	50,000
Restricted	50,000
GF/GP	0

**Change From FY 2007-08
Initial Appropriation**

B. EXECUTIVE ORDERS - NONE

C. CONTINGENCY FUND TRANSFERS - NONE

D. TRANSFERS

1. State Budget Office Letter 5-9-08

<p>a. Boating Access. As part of a court settlement, the Cleveland Cliffs Iron Company paid the State \$125,000, which was used for the construction of a boat ramp and parking at Deer Lake in Iron County and for a boating access site at Goose Lake in Missaukee County. The transfer moved \$125,000 in private spending authorization to the recreational boating program to allow the work to be completed.</p>	<p>Gross 0 GF/GP 0</p>
<p>b. Timber Marking. Additional funding of \$200,000 from the Game and Fish Protection Fund was provided for timber marking and treatments on land purchased with money from this Fund. The funding was available for transfer from general law enforcement due to vacant conservation officer positions.</p>	<p>Gross 0 GF/GP 0</p>
<p>c. Information Access. Federal funding of \$250,000 was transferred into the recreational boating program to update and print harbor guides and to implement information technology improvement so the Department's website is accessible to color blind users.</p>	<p>Gross 0 GF/GP 0</p>
<p>d. State Fire Assistance National Fire Plan. Additional Federal funding of \$500,000 was transferred from unused Emerald Ash Borer authorization to wildfire protection to support the Burn Center call unit, equipment purchases, staff training, and replacement and temporary staffing.</p>	<p>Gross 0 GF/GP 0</p>
<p>e. PILT Purchased Lands. Payments in lieu of taxes (PILT) on land purchased by the Department are based on the taxable value of the land and millage rates. A supplemental appropriation of \$25,000 General Fund was provided by the transfer of savings from a vacancy in the Internal audit office in order to allow full payment of the PILT obligation. If insufficient funds had been appropriated, then the payment would have been prorated.</p>	<p>Gross 0 GF/GP 0</p>

**Change From FY 2007-08
Initial Appropriation**

2. State Budget Office Letter 5-15-08

Snowmobile Trails. The State no longer grooms snowmobile trails. All grooming of snowmobile trails is done by local clubs. This transfer of \$400,000 moved restricted funding for grooming equipment from the program operations line to the grant line in order to make additional funding for grooming equipment available for local snowmobile trails.

Gross 0
GF/GP 0

3. State Budget Office Letter 9-11-08

a. Retail Sales System. The Retail Sales System enables the purchase of hunting and fishing licenses online and through kiosks. The contract for operation of the system with EDS was extended from July 2008 through 2010. The transfer of \$224,200 from the Game and Fish Protection Fund to land and facilities covered the cost of the contract for the last three months of FY 2007-08.

Gross 0
GF/GP 0

b. Park Facility Maintenance. With savings of \$127,600 from use of the park residence at Bay City State Park as the park office, the transfer allowed the Department to repair a roof leak on a building in Naubinway and make roof repairs on a storage building in Baraga.

Gross 0
GF/GP 0

c. Baraga Operation Service Center. Savings of \$250,000 in Game and Fish Protection Fund money from vacant conservation officer positions were used to upgrade and expand the Baraga Operations Service Center, which had insufficient laboratory space.

Gross 0
GF/GP 0

4. State Budget Office Letter 10-31-08

a. National Fire Plan. The balance of \$200,000 from a \$1.6 million Federal grant for the National Fire Plan was spent on technology to assist with fire-fighting, including computers for mobile units, software upgrades, and hand-held devices.

Gross 0
GF/GP 0

b. Timber Marking and Treatment. Additional funding of \$165,800 from the Forest Development Fund was directed to timber sale activities, including inventory, timber marking, preparation of timber contracts, and inspection of sites after contract execution. The funds were available due to reductions in assistance to private forestland owners and local governments and in timber planning.

Gross 0
GF/GP 0

NATURAL RESOURCES TRUST FUND

The appropriations for the Michigan Natural Resources Trust Fund projects for FY 2007-08 are contained in Public Act 278 of 2008.

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	0.0	0.0
Gross	35,266,200	35,266,200
IDG	0	0
Federal	0	0
Local	0	0
Private	723,900	723,900
Restricted	34,542,300	34,542,300
GF/GP	0	0
<hr/>		
	Change From FY 2007-08 Initial Appropriation	
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A. INITIAL APPROPRIATIONS

Public Act 278 of 2008

Article IX, Section 35 of the Michigan Constitution specifies that expenditures from the Michigan Natural Resources Trust Fund must be divided such that not more than 25% is for development projects and not less than 25% is for acquisition projects. The appropriation from the Fund provided funding for 31 acquisition projects and 34 development projects, in accordance with the constitutional requirements.

Gross	35,266,200
Private	723,900
Restricted	34,542,300
GF/GP	0

B. SUPPLEMENTAL APPROPRIATIONS - NONE

C. EXECUTIVE ORDERS - NONE

D. CONTINGENCY FUND TRANSFERS - NONE

E. TRANSFERS - NONE

SCHOOL AID

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	0	0
Gross	13,006,025,100	12,897,780,100
IDG	0	0
Federal	1,479,326,300	1,476,003,900
Local	0	0
Private	0	0
Restricted	11,491,789,200	11,386,866,600
GF/GP	34,909,600	34,909,600
Change From FY 2007-08 Initial Appropriation		

The initial appropriation was contained in Public Act 137 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

A. SUPPLEMENTAL APPROPRIATIONS

Public Act 112 of 2008

- | | |
|--|---|
| <p>1. Foundation Allowance and Special Education Cost Adjustments. Due to revisions in pupil counts (actual data rather than estimates) and newer special education cost data, this supplemental reduced foundation allowance payments by \$101.0 million and reduced special education payments by \$16.0 million.</p> | <p>Gross (117,000,000)
Restricted (117,000,000)
GF/GP 0</p> |
| <p>2. School Readiness Hold Harmless Payments. In order to ensure that all districts received at least the same level of School Readiness funding as in FY 2006-07, the supplemental added \$4.7 million to the FY 2007-08 budget to make these hold harmless payments.</p> | <p>Gross 4,700,000
Restricted 4,700,000
GF/GP 0</p> |
| <p>3. Michigan Educational Assessment Program. Developing an item bank and test prototypes for the State's testing system required additional State funding of more than \$3.9 million. Also, Federal testing funds were transferred out of the School Aid budget and into the Department of Education budget to support departmental testing program staff and operations.</p> | <p>Gross 600,000
Federal (3,322,400)
Restricted 3,922,400
GF/GP 0</p> |
| <p>4. School Bond Loan Fund Debt Service. Some bonds previously thought eligible to be refinanced were determined not to be eligible for refinancing; therefore, debt service on those bonds required payment beyond what had initially been estimated.</p> | <p>Gross 2,000,000
Restricted 2,000,000
GF/GP 0</p> |

Change From FY 2007-08 Initial Appropriation	
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5. **New Grant Programs.** The supplemental funded grants to sparsely populated, rural districts (nearly \$1.3 million), Cultural Access grants (\$100,000), and a grant to Newsline (\$80,000), a service that translates news articles into a medium readable by visually impaired individuals.

Gross	1,455,000
Restricted	1,455,000
GF/GP	0

B. EXECUTIVE ORDERS - NONE

C. CONTINGENCY FUND TRANSFERS - NONE

D. TRANSFERS

1. State Budget Office Letter 5-9-08

Gross	0
GF/GP	0

This transfer moved \$500,000 from Special Education Headlee Obligation funding to Special Education Hold Harmless funding, to align anticipated costs with available revenue.

2. State Budget Office Letter 10-31-08

a. Proposal A Obligation Payment. This transfer provided more than \$1.8 million in order to ensure sufficient funding to cover the State's constitutionally required payment toward each district's FY 1994-95 foundation allowance. Available funding was transferred from State Assessments, School Lunch and Breakfast Programs, other Special Education foundations, *Durant* cash settlement, and Special Education rule changes.

Gross	0
GF/GP	0

b. Special Education Foundations. This transfer provided \$1.2 million in order to ensure sufficient funding to cover the State's required payments of foundation allowances for special education students educated at intermediate school districts. Available funding was transferred from State Assessments, School Lunch and Breakfast Programs, other Special Education foundations, *Durant* cash settlement, and Special Education rule changes.

Gross	0
GF/GP	0

c. Court-Placed Special Education Pupils. This transfer provided \$815,000 to reimburse the costs of education for special education pupils placed by a court into an educational setting. Available funding was transferred from State Assessments, School Lunch and Breakfast Programs, other Special Education foundations, *Durant* cash settlement, and Special Education rule changes.

Gross	0
GF/GP	0

DEPARTMENT OF STATE

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	1,853.8	1,853.8
Gross	207,681,400	211,076,400
IDG	20,000,000	20,000,000
Federal	1,911,200	5,306,200
Local	0	0
Private	100	100
Restricted	156,972,900	156,972,900
GF/GP	28,797,200	28,797,200
Change From FY 2007-08 Initial Appropriation		

The initial appropriation was contained in Public Act 127 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

A. SUPPLEMENTAL APPROPRIATIONS

Public Act 279 of 2008

REAL ID. The supplemental provided \$2,495,000 in Federal funding for the implementation of the REAL ID driver license program. This program, funded with Federal Homeland Security funding, is designed to improve the security of State-issued driver licenses.

Gross	2,495,000
Federal	2,495,000
GF/GP	0

B. EXECUTIVE ORDERS - NONE

C. CONTINGENCY FUND TRANSFERS

State Budget Office Letter 9-11-08

Commercial Driver License Program. This legislative transfer authorized \$900,000 in additional Federal funds to the Central Operations line item to allow the expenditure of additional Federal grant revenue received from the U.S. Department of Transportation. The funds were used for the Commercial Driver License Program to continue automated testing stations at certain Secretary of State branch offices.

Gross	900,000
Federal	900,000
GF/GP	0

**Change From FY 2007-08
Initial Appropriation**

D. TRANSFERS

1. State Budget Office Letter 5-9-08

Gross	0
GF/GP	0

Motorcycle Training Classes. This legislative transfer was necessary to increase Federal fund authorization in the Regulatory Services unit to recognize Federal grant funding available from the Michigan State Police in FY 2007-08. The funding was used for additional motorcycle training classes across the State. Authorization was available for transfer from the Central Operations line item due to a reduction in Federal grant activity in FY 2007-08.

2. State Budget Office Letter 9-11-08

Gross	0
GF/GP	0

International Registration Plan. This legislative transfer of \$900,000 adjusted the authorization in the Central Operations line item to allow the use of restricted funds to cover unexpected increased costs of the International Registration Plan, which was underfunded due to a change in the vendor providing the service. Authorization was available for transfer from the Department Services unit due to departmental efficiencies and vacant positions.

DEPARTMENT OF STATE POLICE

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	2,899.0	2,899.0
Gross	566,283,600	575,249,700
IDG	26,143,700	26,493,700
Federal	146,240,200	150,656,300
Local	8,739,100	8,814,100
Private	262,500	262,500
Restricted	111,318,800	111,993,800
GF/GP	273,579,300	277,029,300
Change From FY 2007-08 Initial Appropriation		

The initial appropriation was contained in Public Act 130 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

A. SUPPLEMENTAL APPROPRIATIONS

1. Public Act 113 of 2008

a. Forensic Laboratories. The purpose of this appropriation was to restore \$2.0 million in reductions taken late in the FY 2007-08 budget process. Funds were necessary to keep the Marquette and Sterling Heights State Police crime labs open and operating for the entire fiscal year. Should this appropriation have not been made, the Department had claimed that it would have been forced to begin the process to close both labs. The effect for the Marquette lab would have been a layoff of eight employees and the transfer of all Upper Peninsula lab work to the State Police crime lab at Grayling. Lab functions at the Sterling Heights lab would have been transferred to the State Police crime lab at Northville, with most of the Sterling Heights personnel to be used to form a second shift of lab services at the Northville facility.

Gross	2,000,000
GF/GP	2,000,000

b. FY 2007-08 Costs for New Trooper School to Graduate in FY 2008-09. The purpose of this appropriation was to allow a new trooper recruit school, planned for completion in late 2008 under the Governor's FY 2008-09 budget recommendations, to begin in FY 2007-08. It allowed a trooper recruit school to begin with 100 candidates on August 10, 2008, and graduate on December 18, 2008. Fiscal year 2007-08 costs included \$534,000 for recruit salaries, \$160,000 in recruiting costs, \$180,000 for weapons, uniforms and related costs, and other costs related to training personnel. The planned effect of this appropriation, in

Gross	1,000,000
GF/GP	1,000,000

**Change From FY 2007-08
Initial Appropriation**

concert with the recommendation for FY 2008-09, is to add approximately 80 new at-post troopers to the statewide pool.

2. Public Act 279 of 2008

Gross	450,000
GP/GP	450,000

Replacement of Hart State Police Post. The appropriation provided funds for the State Police to abandon temporary post quarters and acquire and renovate an existing structure to create a new State Police post facility in Hart.

B. EXECUTIVE ORDERS - NONE

C. CONTINGENCY FUND TRANSFERS

1. State Budget Office Letter 5-9-08

a. Traffic Services. This legislative transfer provided additional Federal transportation funds to the traffic safety program to fulfill a grant award for the purchase of in-car video cameras and breath testers for patrol vehicles.

Gross	416,100
Federal	416,100
GF/GP	0

b. Information Technology. This legislative transfer provided additional restricted expenditure authorization for information technology costs associated with criminal justice information systems. These funds, from Criminal Justice Information Center Service fees, were made available due to an increase in fingerprint and criminal background checks of employees in the education and health care fields due to provisions in Public Acts 26 and 680 of 2006.

Gross	500,000
Restricted	500,000
GF/GP	0

2. State Budget Office Letter 9-11-08

a. Information Technology. This legislative transfer provided additional restricted revenue, coming from requests and payments for copies of vehicle accident reports, for maintenance costs associated with the traffic crash reporting system.

Gross	175,000
Restricted	175,000
GF/GP	0

b. In-Service Training Grants. This legislative transfer provided authority to spend Michigan Justice Training Grants (from the Michigan Justice Training Fund) awarded to the State Police for 2008. The grants awarded were for training concerning computer crimes and forensic science.

Gross	150,000
IDG	150,000
GF/GP	0

**Change From FY 2007-08
Initial Appropriation**

3. State Budget Office Letter 10-31-08

a. In-Service Training Grants. This legislative transfer provided additional authority to receive and spend Michigan Justice Training Grants, including \$100,000 in formula grants and \$100,000 in competitive grants awarded to the State Police for training concerning computer crimes and forensic science.	Gross IDG GF/GP	200,000 200,000 0
b. Reimbursed Services. This legislative transfer provided authorization to receive and spend additional local funds for the reimbursed services, materials and equipment program for services provided as part of State Police participation in multijurisdictional and auto-theft teams.	Gross Local GF/GP	75,000 75,000 0
c. Federal Highway Safety Coordination. This legislative transfer provided additional Federal transportation funds for grants for the promotion of seat belt use, drunken driving enforcement, education of drivers, and traffic safety research.	Gross Federal GF/GP	4,000,000 4,000,000 0

D. TRANSFERS

1. State Budget Office Letter 5-8-08

Information Technology. This administrative transfer moved \$150,000 of excess authorization from the Michigan Justice Training Fund to the Secondary Road Patrol and Training Fund authorization within information technology to reflect the actual level of revenue received.

Gross	0
GF/GP	0

2. State Budget Office Letter 5-9-08

a. Funding Alignment between Forensic Sciences and Information Technology. This legislative transfer properly aligned expenditures with fund sources in the DNA analysis program and the information technology lines as they pertain to Federal funds (\$989,100) and forensic science reimbursement fees (\$989,100).

Gross	0
GF/GP	0

b. Funding Alignment between Training, Motor Carrier Enforcement, Safety Inspections and Information Technology. This legislative transfer properly aligned expenditures with fund sources in the Training Program, Motor Carrier Enforcement, Safety Inspections, and Information Technology units, including Secondary Road Patrol and Training Funds (\$150,000), IDG-State Trunkline Funds (\$80,000), and Federal transportation funds (\$240,000).

Gross	0
GF/GP	0

		Change From FY 2007-08 Initial Appropriation	
c. Motor Carrier Enforcement. This legislative transfer moved \$300,000 of Federal transportation funds from the Safety Inspection unit to the Safety Projects unit to conform to Federal guidelines for border grant expenditures.		Gross	0
		GF/GP	0
3. State Budget Office Letter 9-10-08		Gross	0
		GF/GP	0
Motor Carrier Fees/State Trunkline Funding Alignment. This administrative transfer moved \$108,600 from IDG-State Trunkline Funds under the Criminal Justice Information Training Center to the Motor Carrier Fees deduct to properly align fund sources and \$108,600 from Motor Carrier Fees under Motor Carrier Enforcement to IDG-State Trunkline Funds for the same purpose.			
4. State Budget Office Letter 9-11-08			
a. Automated Fingerprint Identification System (AFIS). This legislative transfer moved \$2,210,000 in available restricted revenue authorization from At-post Troopers to the Criminal Justice Information Center Division (\$610,000) and Information Technology Services and Projects unit (\$1.6 million) for personnel, lease, maintenance, and upgrade costs associated with AFIS.		Gross	0
		GF/GP	0
b. Emergency Management. This legislative transfer shifted GF/GP funds of \$240,000 from Communications to the Emergency Management Planning and Administration line to properly align the State match for Federal funds associated with homeland security personnel.		Gross	0
		GF/GP	0
c. Auto Theft Grant Matching Funds. This legislative transfer moved \$60,000 GF/GP from the Criminal Investigations unit to the Auto Theft Prevention unit to cover State match requirements for Auto Theft Prevention grants awarded to the State Police.		Gross	0
		GF/GP	0
d. Alignment of Federal Department of Justice Funds. This legislative transfer properly aligned \$400,000 in Department of Justice funds by moving that amount from Information Technology Services and Projects to Laboratory Operations (\$100,000), and the DNA Analysis unit (\$300,000).		Gross	0
		GF/GP	0
e. DNA Casework Support. This legislative transfer shifted \$280,000 GF/GP from the Laboratory Operations unit, available due to hiring and spending restrictions, to the DNA Analysis Program to assist with an unanticipated increase in casework.		Gross	0
		GF/GP	0

		Change From FY 2007-08 Initial Appropriation	
5. State Budget Office Letter 10-29-08		Gross	0
		GF/GP	0
<p>Worker's Compensation. This administrative transfer shifted \$230,000 in available GF/GP funds from the At-post Trooper line to the Worker's Compensation unit to cover compensation costs that were higher than anticipated.</p>			
6. State Budget Office Letter 10-31-08			
a. DNA Analysis Program Support. This legislative transfer took \$310,000 GF/GP from Special Operations and Events and \$310,000 GF/GP from the At-post Troopers line, available due to spending restrictions, and sent it to the DNA Analysis Program to cover a projected shortfall due to higher-than-expected expenditures.		Gross	0
		GF/GP	0
b. Audit of City of Detroit Crime Lab. This legislative transfer moved \$300,000 GF/GP from Special Operations and Events, available due to spending restrictions, to the Laboratory Operations unit to cover expenditures associated with a preliminary audit and a review of firearms casework for the City of Detroit Crime Lab.		Gross	0
		GF/GP	0
c. Executive Direction Shortfall. This legislative transfer shifted \$250,000 GF/GP from Fleet Leasing, available due to lower-than-anticipated expenditures, to the Executive Direction line to cover a projected shortfall.		Gross	0
		GF/GP	0
d. Disaster Assistance. This legislative transfer moved available GF/GP from Management Services (\$100,000), Uniform Services (\$400,000), At-post Troopers (\$250,000), Operational Support (\$165,000), Criminal Investigations (\$250,000), and Fire Investigations (\$45,000) to the Grants For Disaster Assistance line, to provide State match required for Federal disaster assistance grants related to the June 2008 flooding in Allegan, Barry, Eaton, Ingham, Lake, Manistee, Mason, Missaukee, Osceola, Ottawa, Saginaw, and Wexford Counties.		Gross	0
		GF/GP	0

DEPARTMENT OF TRANSPORTATION

The initial appropriation was contained in Public Act 129 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	3,029.3	3,029.3
Gross	3,360,195,600	3,360,195,600
IDG	0	0
Federal	1,200,740,600	1,200,740,600
Local	42,850,000	42,850,000
Private	0	0
Restricted	2,116,605,000	2,116,605,000
GF/GP	0	0
Change From FY 2007-08 Initial Appropriation		

- A. SUPPLEMENTAL APPROPRIATIONS - NONE**
- B. EXECUTIVE ORDERS - NONE**
- C. CONTINGENCY FUND TRANSFERS - NONE**
- D. TRANSFERS**

State Budget Office Letter 10-31-08

The transfer shifted funds between Transportation Economic Development Fund line items: \$6.5 million was transferred out of Targeted Industries/Economic Development and \$3.25 million was transferred into both the Urban County Congestion and the Rural County Primary lines. The transfer was made to implement part of the FY 2007-08 target agreement. The FY 2007-08 budget for the Department of Transportation as enacted included a reduction of \$13.0 million from the Transportation Economic Development Fund (to be later transferred to the General Fund). The original reduction was made from three line items according to a statutory distribution formula. The later target agreement included a stipulation that the entire reduction was to come from Category A – Targeted Industries. This transfer restored the amounts reduced from the other two lines to take the entire reduction from Targeted Industries.

Gross	0
Restricted	0
GF/GP	0

DEPARTMENT OF TREASURY - DEBT SERVICE

The initial appropriation was contained in Public Act 127 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	0.0	0
Gross	119,986,400	89,986,400
IDG	0	0
Federal	0	0
Local	0	0
Private	0	0
Restricted	23,914,500	23,914,500
GF/GP	96,071,900	66,071,900
Change From FY 2007-08 Initial Appropriation		

A. SUPPLEMENTAL APPROPRIATIONS

Public Act 113 of 2008

This negative supplemental appropriation reduced the appropriation for debt service payments to reflect savings due to the refinancing of outstanding bonds to take advantage of the recent reductions in long-term interest rates. This is the first year of a multiyear restructuring that will save the State \$100.0 million over three years: \$30.0 million in 2007-08, \$40.0 million in 2008-09, and \$30.0 million in 2009-10.

Gross	(30,000,000)
GF/GP	(30,000,000)

B. EXECUTIVE ORDERS - NONE

C. CONTINGENCY FUND TRANSFERS - NONE

D. TRANSFERS - NONE

DEPARTMENT OF TREASURY - OPERATIONS

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	1,744.5	1,744.5
Gross	399,704,500	418,904,500
IDG	11,551,400	11,551,400
Federal	36,405,700	38,805,700
Local	1,100,700	1,100,700
Private	0	0
Restricted	287,227,400	294,027,400
GF/GP	63,419,300	73,419,300
Change From FY 2007-08 Initial Appropriation		

The initial appropriation was contained in Public Act 127 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

A. SUPPLEMENTAL APPROPRIATIONS

1. Public Act 113 of 2008

This supplemental appropriation contained \$10.0 million GF/GP to reimburse local units of government for their costs associated with the January 2008 presidential primary and \$5.5 million from the State Services Fee Fund to allow the consolidation of the Gaming Control administration in the Detroit office.

Gross	15,500,000
Restricted	5,500,000
GF/GP	10,000,000

2. Public Act 279 of 2008

This supplemental appropriation provided \$2.1 million in Federal funds for the College Access Challenge Grant Program. This Federal program is designed to foster partnerships among Federal, State, and local governments and philanthropic organizations that will increase the number of low-income students who are prepared to enter postsecondary education.

Gross	2,100,000
Federal	2,100,000
GF/GP	0

B. EXECUTIVE ORDERS - NONE

**Change From FY 2007-08
Initial Appropriation**

C. CONTINGENCY FUND TRANSFERS

1. State Budget Office Letter 5-9-08

This Federal contingency fund transfer increased the Federal authorization for the administration of the Home Heating Assistance program. Funding was available from an additional Low Income Energy Assistance contingency award released in January 2008.

Gross	300,000
Federal	300,000
GF/GP	0

2. State Budget Office Letter 9-11-08

This State restricted contingency fund transfer of \$1.3 million provided appropriation authorization to make full payment distribution of the Health and Safety Fund as required by the Health and Safety Fund Act. The State is required to distribute all revenue received in any given year to qualifying counties in Michigan based on a formula. Since anticipated revenue was expected to be \$26.3 million compared to the appropriation of \$25.0 million, the \$1.3 million transfer represents the amount required to meet statutory payment requirements.

Gross	1,300,000
Restricted	1,300,000
GF/GP	0

D. TRANSFERS

State Budget Office Letter 9-11-08

This transfer of \$250,000 allowed the Department of Treasury to meet reimbursement payment obligations to public libraries for property tax revenue lost as a result of the provisions of the Michigan Renaissance Zone Act. There was sufficient revenue in the Senior Citizen's Cooperative Housing Tax Exemption Program line item appropriation to support this transfer due to estimate adjustments.

Gross	0
GF/GP	0

DEPARTMENT OF TREASURY - REVENUE SHARING

The initial appropriation was contained in Public Act 127 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

	FY 2007-08 Initial Appropriation	FY 2007-08 Year- End Appropriation
FTE	N/A	N/A
Gross	\$1,072,990,600	\$1,076,445,600
IDG	0	0
Federal	0	0
Local	0	0
Private	0	0
Restricted	1,072,665,000	1,076,214,700
GF/GP	325,600	230,900
Change From FY 2007-08 Initial Appropriation		

- A. SUPPLEMENTAL APPROPRIATIONS - NONE**
- B. EXECUTIVE ORDERS - NONE**
- C. CONTINGENCY FUND TRANSFERS - NONE**
- D. TRANSFERS - NONE**
- E. OTHER ADJUSTMENTS**

Revenue Adjustments

The initial revenue sharing appropriations were based on consensus sales tax estimates adopted at the May 2007 Consensus Revenue Estimating Conference. The distribution formula for payments specified that each individual local unit was to receive at least as much in combined constitutional and statutory payments as it received during FY 2006-07. Actual sales tax collections were higher than predicted in the May 2007 estimate and the full appropriation was increased to accommodate higher constitutional payments to local units. Because 1,036 local units did not receive statutory payments during FY 2007-08, those local units did not have statutory payments that could be reduced to offset the increase in constitutional payments, causing the total appropriation to increase. Offsetting that increase was a reduction in payments to counties, compared with the initial appropriation. These payments are made from General Fund/General Purpose revenue. Each county receives payments based on the difference between an inflation-adjusted predetermined amount and the balance in that county's revenue sharing reserve fund, created as part of the FY 2004-05 budget. Actual payments to counties were less than the amount appropriated. Actual restricted fund revenue sharing distributions to all local units totaled \$1,076,445,600, or \$3,455,000 more than initially appropriated.

Gross	\$3,455,000
Restricted	3,549,700
GF/GP	(94,700)

DEPARTMENT OF TREASURY - STRATEGIC FUND AGENCY

	FY 2007-08 Initial Appropriation	FY 2007-08 Year-End Appropriation
FTE	152.0	152.0
Gross	166,422,500	219,972,500
IDG	80,000	80,000
Federal	55,430,700	55,430,700
Local	0	0
Private	712,800	712,800
Restricted	80,705,200	130,755,200
GF/GP	29,493,800	32,993,800
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	Change From FY 2007-08 Initial Appropriation	
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The initial appropriation was contained in Public Act 127 of 2007. See the FY 2007-08 Appropriations Report Part II - Initial Appropriations published in November 2007 for a detailed description.

A. SUPPLEMENTAL APPROPRIATIONS

1. Public Act 98 of 2008

This supplemental provided \$50.0 million from the 21st Century Jobs Trust Fund to the Michigan Strategic Fund to be used for tourism promotion and business marketing over two fiscal years. Up to 25.0% of the appropriated funds can be used for business marketing, and remaining funds for tourism promotion. Savings achieved from the refinancing of tobacco settlement bonds made additional revenue available to the General Fund. Public Act 98 of 2008 provided for the transfer of \$60.0 million from the General Fund to the 21st Century Jobs Trust Fund. Of that amount, \$50.0 million was appropriated for tourism promotion and business marketing. Pursuant to the Leadership Target Agreement on the budget for FY 2008-09, the remaining \$10.0 million is to be returned to the General Fund.

Gross	50,000,000
Restricted	50,000,000
GF/GP	0

2. Public Act 113 of 2008

This supplemental provided \$3.5 million to Michigan State University to support the Great Lakes Bio-Energy Research Center. The center, largely funded by the U.S. Department of Energy, is administered and staffed by MSU in coordination with the University of Wisconsin-Madison. The research center works on developing sustainable energy sources by studying biomass plants, processes to convert biomass plants to energy, and economic and environmental effects.

Gross	3,500,000
GF/GP	3,500,000

**Change From FY 2007-08
Initial Appropriation**

B. EXECUTIVE ORDERS - NONE

C. CONTINGENCY FUND TRANSFERS

State Budget Office Letter 5-9-08

Michigan Film Office. The Michigan Film Office was moved from the Department of History, Arts, and Libraries to the Michigan Strategic Fund (MSF) by statutory changes in the Michigan film package. This contingency fund transfer increased the restricted fund expenditure authority for the MSF, which permitted the MSF to receive and spend fee revenue associated with the publication by the Michigan Film Office of the "Michigan Production Guide", which lists film production personnel available in Michigan.

Gross	50,000
Restricted	50,000
GF/GP	0

D. TRANSFERS - NONE



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<p>"FY 2008-09 APPROPRIATIONS REPORT – PART I – GOVERNOR'S RECOMMENDATIONS" March 2008</p>		<p>"U.S. AND MICHIGAN MOTOR VEHICLE STATISTICAL REPORT" February 2007</p>

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Appropriations Report – Part I – Governor's Recommendations
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Estimated State Spending by County
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