

APPROPRIATION LINE ITEM AND BOILERPLATE HISTORY

**DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET
PART 1: LINE ITEM DETAIL**
**2020 PA 166
FY 2020-21
Initial**
Sec. 107 (1) APPROPRIATION SUMMARY

1. <u>Unclassified full-time equated (FTE) positions</u> - Positions that are exempted from the classified State civil service pursuant to Article XI, Section 5 of the Michigan Constitution. These positions include elected officials, heads of principal departments, a limited number of policy-making positions in departments, members of boards and commissions, employees of State institutions of higher education, employees of the Judiciary, and employees of the Legislature.	6.0
2. <u>Classified FTE positions</u> - All positions in State service unless exempted by Article XI, Section 5 of the Michigan Constitution. One FTE position equals 2,088 hours.	3,133.0
3. <u>GROSS APPROPRIATION</u> - Total appropriations	\$1,671,705,000
4. <u>Interdepartmental grants (IDG)</u> - Funds that are also appropriated in other budgets. These funds are categorized as IDGs in the department that spends the funds and are therefore subtracted from the Gross Appropriation to avoid double counting total statewide appropriations.	1,024,720,900
5. <u>ADJUSTED GROSS APPROPRIATION</u> - Gross appropriations less IDGs.	646,984,100
6. <u>Federal revenue</u> - Funding allocated to the State by the Federal government.	5,139,300
7. <u>Local revenue</u> - Funds paid by local units of government that support State services and programs.	2,337,700
8. <u>Private revenue</u> - Available appropriated funds from private sources, including funding from non-governmental agencies.	134,600
9. <u>State restricted revenue</u> - Revenue earmarked for a specific purpose by the State Constitution, statute, or appropriation bill. Restricted revenue also includes general fund/special purpose funds, such as fee revenue used to support licensing programs.	123,046,400
10. <u>State general fund/general purpose</u> – Revenue that has no constitutional or statutory restrictions on how it is used. Approximately 90% of the general fund/general purpose (GF/GP) revenue is derived from the income, single business, insurance, sales, and use taxes.	516,326,100
11. <u>Payments to locals</u> - State appropriations from GF/GP or State restricted revenues that will be allocated to local units of government.	0

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Sec. 107 (2) DEPARTMENTAL ADMINISTRATION AND SUPPORT

The authority of the Department of Management and Budget is provided in the Management and Budget Act, Public Act 431 of 1984, MCL 18.1101 to 18.1594. With the popular names of "Act 431" and the "DMB Act", it details the responsibilities of the Department and also establishes budgeting, finance, and administrative procedures for the State.

1. Unclassified positions \$946,600

Unclassified FTE positions 6.0

The positions funded through this line include the Director of the Department, the State Budget Director, the State Employer, the Director of Communications, and the Legislative Liaison. This line funds salaries only.

2. Administrative services \$25,279,200

Classified FTE positions 165.5

This line item funds financial services (accounting, reporting projections, year-end statements, audit, etc.), organizational services, and national association dues.

3. Budget and financial management \$36,927,200

Classified FTE positions 178.0

Funding supports the State Budget Office, the Office of Financial Management, and the Local Government Claims Review Board.

4. Building operation services \$94,123,600

Classified FTE positions 255.0

Funding supports the operation of State facilities and coordination of all building services.

5. Bureau of labor market information and strategies \$5,917,900

Classified FTE positions 44.0

The Bureau of Labor Market and Information Strategies funds two offices that provide labor market information, economic and workforce research and analysis, and program measurement data and services. The offices function as the central information and research support group for numerous state government agencies.

1. The Office of Labor Market Information

The Office of Labor Market Information (OLMI) is responsible for the development and maintenance of the workforce information system in Michigan. OLMI produces all of the official labor market information for the state and its regions, and is responsible for providing labor market analysis, products, and services to business, workforce and economic development, education, and other key customers.

2. The Office of Strategic Initiatives

The Office of Strategic Initiatives is responsible for conducting research and analysis to guide policy and program development for workforce activities, and responding to information requests from Michigan's workforce boards, MEDC, the Governor's office, and the community leaders and economic developers.

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6.	<u>Business support services</u>	\$13,556,300
	Classified FTE positions	104.0
	This line item supports acquisition services, real estate, ID mail services, and the State Building Authority (SBA). The administrative functions of the SBA were transferred to Treasury in FY 2014-15. New funding of \$825,000 and 6.0 FTE positions were added for a Procurement Improvement Plan for FY 2015-16.	
7.	<u>Design and construction services</u>	\$6,913,600
	Classified FTE positions	40.0
	This division administers the State capital outlay program including major construction, special maintenance, survey and evaluation of current and future sites, inspects State facilities, prepares bidding documents, recommends awards, and provides oversight during construction projects.	
8.	<u>Executive operations</u>	\$2,510,700
	Classified FTE positions	12.0
	Functions of this division include strategic planning, program and policy direction, communications, and internal audit.	
9.	<u>Motor vehicle fleet</u>	\$82,043,000
	Classified FTE positions	39.0
	This appropriation reflects costs associated with the State motor vehicle fleet. Prior to FY 2003-04 the cost of this function was only reflected in individual budgets as motor transport costs. The operation of the Motor Vehicle Fleet as an off-budget revolving fund is authorized in Public Act 431 of 1984.	
10.	<u>Office of the state employer</u>	\$1,731,500
	Classified FTE positions	14.0
	This office is responsible for central labor relations including employee relation matters, collective bargaining, and representation of State management before the Civil Service Commission and Employment Relations Board.	
11.	<u>Property Management</u>	\$8,059,900
	This line item funds DTMB costs associated with rent, building maintenance costs, and utilities.	
	Unit Gross Appropriation	\$278,019,500
	Interdepartmental grants	202,607,200
	Federal revenue	5,139,300
	Local revenue	56,200
	Private revenue	134,600
	State restricted revenue	26,530,700
	State general fund/general purpose	43,551,500

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Sec. 108 (3) TECHNOLOGY SERVICES

Executive Order 2001-3 created the Department of Information Technology (DIT) effective on October 14, 2001. Unlike other State departments, a majority of DIT employees remain physically located within other departments. Several of the Department's core administrative functions, including human resource services, services performed by the internal auditor, and part of financial services, are provided under contract by the Department of Management and Budget (DMB). DIT is charged with the goal of achieving the use of common technology across the executive branch, including:

- Coordinating a unified executive branch strategic information technology plan.
- Overseeing the expanded use of project management principles.
- Serving as a general contractor between the State's information technology users and private sector providers of information technology.
- Developing information technology budgets and setting standards for application development for executive branch departments.

Executive Order 2001-3 transferred to the DIT all information technology services that were previously located within any executive branch department or agency, and the following entities which had been located in the Department of Management and Budget:

- the Michigan Administration Information Network,
- the Computing Services Unit,
- the Information Technology Services Division,
- the Office of Project Management,
- the Information Technology Budget and Finance Division,
- the Office of Information Technology Solutions,
- the Telecommunications Services Unit,
- the Michigan Information Network Office,
- the Michigan Information Center.

Executive Order 2002-2 transferred the e-Michigan Office to the DIT, maintaining the e-Michigan Office as a Type I agency. Subsequently Executive Order 2002-14, through a Type III transfer, abolished the e-Michigan Office and transferred its powers, functions, and responsibilities to the Department of Information Technology.

Finally, Executive Order 2009-55 transferred the DIT to the Department of Management and Budget and renamed the entity the Department of Technology, Management, and Budget (DTMB). All functions of the former DIT remain the same under the new DTMB.

1.	<u>Education services</u>	\$4,932,700
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	Classified FTE positions	33.0
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Funding from this line item supports services provided to the Department of Education, and library, archival, and records storing services provided by the DTMB.

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2.	<u>Health and human services</u>	\$556,387,300
	Classified FTE positions	656.5
	This line item funds information technology services provided to the Department of Community Health, Department of Human Services, and the Department of Energy, Labor and Economic Growth. The line item also includes funding and staff related to the Child Support Enforcement System (CSES).	
3.	<u>Public protection</u>	\$63,079,800
	Classified FTE positions	162.5
	Departments receiving services from this line item include: Attorney General, Civil Rights, DELEG, Corrections, Military and Veterans Affairs, and State Police. The appropriation also includes funding and staff related to the Michigan Public Safety Communications System (MPSCS).	
4.	<u>Resources services</u>	\$22,271,100
	Classified FTE positions	154.5
	Departments receiving information technology services through this line item included: Agriculture, Environmental Quality, and Natural Resources.	
5.	<u>Transportation services</u>	\$39,048,400
	Classified FTE positions	99.5
	This line item funds services provided to the Department of Transportation. The services include application and systems development, hardware and software purchases, licensing, maintenance, network support, mainframe services, and radio tower services.	
6.	<u>General services</u>	\$130,561,500
	Classified FTE positions	356.5
	This line item supports information technology services to the Civil Service Commission, Department of Technology, Management, and Budget, Department of State, the Gaming Control Board, the State Lottery, and the Department of Treasury.	
7.	<u>Information technology investment fund</u>	\$32,500,000
	This line item supports IT projects funded by the IT Investment Fund which provides support across all agencies. They include projects related to cyber security, data loss prevention, portfolio management, and the unified portal.	

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8.	<u>Homeland security initiative/cyber security</u>	\$14,174,700
	Classified FTE positions	25.0
	This funding supports remediation of enterprise network risks, implementation of a Cyber Civilian Corps, expansion of the current cyber range, building a cyber-talent pool, and provides data loss prevention and penetration testing services. All of these measures are intended to keep the State's data systems secure from cyber attacks.	
9.	<u>Michigan public safety communications</u>	\$48,505,600
	Classified FTE positions	137.0
	This line item supports DTMB's costs related to the development and maintenance of communication services provided to local, state, and federal agencies via the MPSCS as well as costs related to the lifecycle replacement of infrastructure and equipment.	
10.	<u>Enterprise identity management</u>	\$9,706,200
	Classified FTE positions	17.0
	This line item was added in FY 2016-17 to provide new funding and FTEs for the MiLogin program that will allow a single sign-on and identity management tool to enable the State to establish, manage, and authenticate user identities for all State IT systems.	
	Unit Gross Appropriation	\$921,167,300
	Interdepartmental grants	816,280,800
	Local revenue	2,281,500
	State general fund/general purpose	102,605,000

Sec. 107 (4) STATEWIDE APPROPRIATIONS

These professional development funds are created in the collective bargaining agreements with unions. The purpose of the professional development funds are to, "identify education, training and retraining needs for members; to explore existing education resources; and to publicize these resources to meet employee needs and encourage workers' participation." Each department contributes a certain amount per employee per union. This funding is shown as an IDG for these lines.

1.	<u>Professional development fund – AFSCME</u>	\$50,000
	The AFSCME professional development fund was established in FY 1989-90. It had a balance of \$67,300 at the close of FY 2016-17. This line item is not funded in FY 2016-17 per contract agreements but likely will be funded for new contract period beginning in FY 2019-20 that are currently being negotiated.	
2.	<u>Professional development fund – MPE, SEIU, scientific and engineering unit</u>	\$100,000
	This professional development fund was established in FY 1989-90. It had a balance of \$123,000 at the close of FY 2016-17. This line item is not funded in FY 2016-17 per contract agreements but likely will be funded for new contract period beginning in FY 2019-20 that are currently being negotiated.	

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3.	<u>Professional development fund – MPE, SEIU, technical unit</u>	\$50,000
	This line item was broken out from the MPE, SEIU, scientific and engineering unit line in FY 2020-21.	
3.	<u>Professional development fund – NEREs</u>	\$200,000
	This professional development fund was established in FY 1989-90.	
4.	<u>Professional development fund – UAW</u>	\$700,000
	This professional development fund was established in FY 1989-90.	
	Unit Gross Appropriation	\$1,100,000
	Interdepartmental grants	1,100,000
	State general fund/general purpose	0

Sec. 107 (5) SPECIAL PROGRAMS

1.	<u>Office of children’s ombudsman</u>	\$1,931,400
	Classified FTE positions	14.0
	Considered an independent office housed in the Department of Technology, Management, and Budget, the Office of the Children’s Ombudsman was established in Public Act 204 of 1994, MCL 722.921 to 722.935. It monitors and ensures compliance with relevant statutes, rules, and policies pertaining to children’s protective services and the placement, supervision, and treatment of children in foster care and adoptive homes. This Office works closely with the Department of Human Services.	
2.	<u>Property management executive/legislative</u>	\$1,285,200
	All funding supports costs associated with Executive BOC.	
3.	<u>Retirement services</u>	\$25,451,200
	Classified FTE positions	167.0
	This line contains the appropriation for Retirement Services, which is responsible for the administration of retirement and pension benefits for current and past State employees as well as state military retirees under the National Guard. Duties include record keeping, providing actuarial information, and payment of benefits. This office is funded entirely by the pension trust funds and deferred compensation funds. The administration of retirement benefits is governed by acts establishing the four retirement systems:	
	<ul style="list-style-type: none"> • State Employees’ Retirement Act of 1943, MCL 38.1 to 38.69 • Public School Employees Retirement Act of 1979, MCL 38.1301 - 38.1467 • State Police Retirement Act of 1986, MCL 38.1601 - 38.1648 • Judges Retirement Act of 1992, MCL 38.2101 - 38.2670 • Michigan Military Act of 1967, MCL 32.801 – 32.851 	

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| 4. | <u>Venture Michigan Fund II voucher purchase</u>
This line was included in FY 2020-21 for appropriations needed to complete the purchase of vouchers from the Venture Michigan Fund II. | \$37,200,000 |
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Unit Gross Appropriation	\$65,867,800
State restricted revenue	25,374,200
State general fund/general purpose	40,493,600

Sec. 107 (6) STATE BUILDING AUTHORITY RENT

The State Building Authority is authorized to issue and sell bonds and notes for the acquisition and construction of facilities and state equipment. The debt service on the bonds is payable from lease revenue paid by the State pursuant to provisions of the leases. Appropriations for this lease revenue are contained in this line item.

The SBA Rent program was moved from the Capital Outlay budget to the General Government budget in the FY 2005-06 budget to deal with timing issues associated with the delayed enactment of the capital outlay budget and the need to make SBA Rent payments on October 1st of each year. Payments are made by the State for projects as follows:

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| 1. | State building authority rent - state agencies | \$63,393,700 |
| 2. | State building authority rent - department of corrections | \$0 |
| 3. | State building authority rent – universities | \$134,995,300 |
| 4. | State building authority rent - community colleges | \$33,181,600 |

Unit Gross Appropriation	\$231,570,600
State general fund/general purpose	231,570,600

Sec. 107 (7) CIVIL SERVICE COMMISSION

Article XI, Section 5 of the Michigan Constitution established the Civil Service Commission and the State classified civil service. This section empowers the Civil Service Commission to determine the classification, compensation, qualification, and regulation of all positions in the classified civil service. The Commission appoints the State Personnel Director to carry out these responsibilities.

The Constitution also provides for appropriations to the Commission in order to perform these duties. "The legislature shall appropriate to the commission for the ensuing fiscal year a sum not less than one percent of the aggregate payroll of the classified service for the preceding fiscal year." The Department historically does not request the full 1% of aggregate payroll for its operations.

Executive Order 2007-30 transferred all functions and duties of the Civil Service Commission in the former Department of Civil Service to the Department of Technology, Management, and Budget in May, 2007.

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1.	<u>Agency Services</u>	\$17,580,700
	Classified FTE positions.	115.0
	This line item supports human resource services for State government. This includes position development, classification evaluation, employee recruitment, assessment, and the Human Resources Management Network (HRMN).	
2.	<u>Employee Benefits</u>	\$7,846,700
	Classified FTE positions.	25.0
	Executive Order 2002-13 transferred administration of the employee benefits, health screening and awareness, and quality recognition systems to the Department of Civil Service from the Office of the State Employer in the Department of Management and Budget in August 2003. With the development of HRMN, it was determined that the programs would be better suited to the Civil Service Commission.	
3.	<u>Executive Direction</u>	\$10,482,000
	Classified FTE positions.	45.0
	This line item supports administrative services including Human Resources, Financial Services, Office of General Counsel, Hearings and Legal Services, and the Office of Compliance.	
4.	<u>Human Resources Operations</u>	\$35,481,200
	Classified FTE positions	274.0
	This line item supports the consolidation of certain human resources functions that were previously included in individual departmental budgets and transferred to the Civil Service Commission when the former Department of Civil Service was transferred to the Department of Technology, Management, and Budget as an autonomous agency via Executive Order 2007-30 in May 2007.	
5.	<u>Information Technology Services and Projects</u>	\$3,637,100
	Executive Order 2001-3 created the new Department of Information Technology (DIT). In FY 2002-03, 27.0 FTEs were initially transferred to DIT from the Department of Civil Service. The funding for information technology is appropriated in the originating department and received in DIT as an interdepartmental grant from user charges.	
	Executive Order 2009-55 combined DIT with the Department of Management and Budget to form the now Department of Technology, Management, and Budget (DTMB). The funding is appropriated in the originating department and received in DTMB as an interdepartmental grant from user charges.	
	Unit Gross Appropriation	\$75,027,700
	State restricted revenue	50,827,500
	State general fund/general purpose	24,200,200

Sec. 107 (8) CAPITAL OUTLAY

1.	<u>Major special maintenance, remodeling and addition for state agencies</u>	\$3,800,000
	Funding in this line item is used for large maintenance and remodeling projects in buildings managed by the department. FY 2008-09 was the first year that this line item was funded in DTMB.	

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\$28,000,000

2. Enterprisewide special maintenance for state facilities

Funding in this line item is used for special maintenance projects that are non-recurring, and can include light renovation, remodeling, and additions as well as other upgrades and replacements. Typical examples of special maintenance projects are roofs, boiler/HVAC replacements, windows/doors, ADA compliance, energy efficiency lighting/controls, etc. Projects that fall into this category are typically too big for an agency to fund out of operating funds, but not big enough or of sufficient scale to be bonded via the State Building Authority. FY 2012-13 was the first year that this line item was funded in DTMB.

Unit Gross Appropriation

Interdepartmental grants	3,800,000
State general fund/general purpose	28,000,000

\$31,800,000

Sec. 108 (9) INFORMATION TECHNOLOGY

1. Information technology services and projects

\$35,747,100

Executive Order 2001-3 created the new Department of Information Technology (DIT). 84.0 FTEs were initially transferred to the new department from the Department of Management and Budget. Executive Order 2009-55 combined DIT with the Department of Management and Budget to form the now Department of Technology, Management, and Budget (DTMB). The funding is appropriated in the originating department and received in DTMB as an interdepartmental grant from user charges.

A majority of the funding in this unit is associated with the Michigan Administrative Information Network (MAIN), Human Resources Management Network (HRMN), and the Data Collection and Distribution System (DCDS). MAIN, which is comprised of R*STARS, ADPICS, and MIDB is the State's enterprise-wide accounting and financial management system. HRMN is the State's enterprise-wide human resources, benefits, and payroll system. DCDS is the State's enterprise-wide time and attendance and labor cost distribution system.

Beginning October 1, 2017, all of the former systems were fully converted to the Statewide Integrated Governmental Management Applications (SIGMA) which replaces MAIN beginning on October 1, 2017. SIGMA integrates systems and provides end-to-end support in one system for statewide administrative functions including financial management, procurement, asset management, performance budgeting, and time and expenses.

Unit Gross Appropriation

Interdepartmental grants	932,900
State restricted revenue	18,214,000
State general fund/general purpose	16,600,200

\$35,747,100

Sec. 108(10) ONE-TIME BASIS ONLY APPROPRIATIONS

1. Enterprise Special Maintenance for State Facilities

\$15,000,000

This one-time funding is for renewal and maintenance projects at state psychiatric hospitals in FY 2020-21.

2. Retirement Services Customer Relationship Management Replacement

\$2,100,000

This one-time restricted funding supports replacement of the Retirement Services Customer Relationship Management system in FY 2020-21.

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3.	<u>Broadband Initiative</u>	This one-time funding supports the administration and grants for the Connecting Michigan Communities Broadband Grant Program in FY 2020-21.	<hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> \$14,305,000
	Unit Gross Appropriation		\$31,405,000
	State restricted revenue		2,100,000
	State general fund/general purpose		29,305,000

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Section Number	Description and History
801	<p><u>Contingency Funds.</u> Authorizes contingency funds. Requires legislative transfers prior to expenditure. Authorizations for the fiscal year may not exceed the following amounts: \$2.0 million for Federal; \$4.0 million for State restricted; \$75,000 for local funds; and \$50,000 for private funds.</p> <p>Background: Included in the budget beginning in FY 2007-08. Contingency fund authorization levels were lowered in FY 2019-20 to the amounts noted above.</p>
802	<p><u>Auction Proceeds.</u> Provides for the appropriation of proceeds from property transfers or auctions of State surplus to the Department for the purpose of offsetting costs in the acquisition and distribution of surplus.</p> <p>Background: This section was first included in the late 1980's. Proceeds from the sale of State warehouse surplus may cover the deficits of the Federal warehouse. Beginning in FY 2010-11, additional language requires DTMB to provide consolidated internet auction services through the State's contractors for all local units of government. Prior to FY 2019-20, language referred particularly to distribution of Federal surplus.</p>
803	<p><u>DTMB Services.</u> Provides for receipt and expenditure of funds for services provided to departments, the Judiciary, the Legislature, or private tenants. (1) Maintenance and Operation, (2) Design and Construction, (3) Mail Services, (4) Purchasing Services.</p> <p>Background: This section allows receipt of payments from State departments above and beyond appropriations. Related to special or extended services requested of the Department by other State departments. Subsections (1) and (2) are used the most frequently through Building Operation Services and Design & Construction.</p>
804	<p><u>Statewide Appropriations for Employee Programs.</u> Provides for receipt and expenditure of funds for programs as specified in joint labor/management agreements or through the coordinated compensation hearings process. Provides for carry forward of funds.</p> <p>Background: These accounts are managed through the Office of the State Employer. Billing to State departments for contributions to a fund is based on the number of employees from a particular union in each department.</p>
805	<p><u>Special Revenue and Internal Service Funds.</u> Provides for appropriations financed from special revenue, internal service, pension trust funds or SIGMA user charges not to exceed aggregate amounts appropriated in Part 1.</p> <p>Background: This section ensures that the Department has the authority to accept revenue from restricted fund sources as appropriated. This section was initiated over confusion of whether the Department could accept funds from the Michigan Veterans Trust Fund. The reference was changed in FY 2018-19 from MAIN (Michigan Administration and Information Network) to the new system SIGMA (Statewide Integrated Governmental Management Application).</p>

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806	<p><u>Administrative Leave Bank.</u> Provides for receipt, expenditure, and transfer to and from other departments to implement administrative leave bank transfers.</p> <p>Background: This section is related to collective bargaining. It provides a mechanism for employees to donate annual leave for other State employees to use. People are not compensated for donating their leave. In the administrative leave process, a department charges the Department of Technology, Management, and Budget an amount to cover the leave of the chief state employee from that bargaining unit when that person is absent for union activities. The administrative leave bank pays for it.</p>
807	<p><u>SIGMA Charges.</u> Provides that the Statewide Integrated Governmental Management Application (SIGMA) shall be funded by charges against State funds benefiting from SIGMA.</p> <p>Background: Permits the department to bill State departments to cover costs of SIGMA and allows receipt of restricted funds for this purpose. Amounts are determined by Statewide Cost Allocation Plan (SWCAP). A listing of SIGMA costs by department is available.</p> <p>Beginning in FY 2017-18 the term MAIN is replaced with SIGMA to reflect the State's new financial management applications that replace MAIN beginning on October 1, 2017.</p>
808	<p><u>Building Occupancy and Parking Charges.</u> (1) Provides for collection of deposits against the interdepartmental grants from building occupancy and parking charges for State agencies, the Legislature, and the Judiciary. (2) Provides for returning excess revenue collected.</p> <p>Background: This function is performed through the Office of Facilities. The Department uses building occupancy and parking charges from previous fiscal years to estimate the next fiscal year's charges. This section allows the Department to return any overpayment of previous fiscal year funds to the originating fund sources.</p>
809	<p><u>Computer Contract Adjustments.</u> Requires quarterly notification to the Legislature, the fiscal agencies, and the State Budget Director on computer contract revisions that increase or decrease by more than \$500,000.</p> <p>Background: The Legislature is not involved in the contract approval process, but it can put conditions and restrictions on the process. These contracts are approved by the State Administrative Board. There are 6-12 such contracts a year. This section was added through legislative initiative. In FY 2004-05 the language was expanded to include contract revisions that decrease current contracts by more than \$500,000. In FY 2015-16 the language was amended to require the report to be submitted to the Legislature quarterly and removed language stating that the report be submitted at least 14 days prior to finalization of the revisions. In FY 2016-17 language was added requiring the notification also to be sent to the House and Senate Fiscal Agencies and the State Budget Director. In FY 2017-18 the language was amended to include the requirement to report contract changes in the aggregate of over \$500,000. In FY 2020-21 this amount was revised to \$250,000.</p>
810	<p><u>Requests for Proposals-Website.</u> Requires the Department of Technology, Management, and Budget to maintain an Internet website that contains notice of all invitations to bid (ITB) and requests for proposals (RFP) over \$50,000. Prohibits the Department from accepting an invitation for bid or request for proposal less than 14 days after the request was made available on the website. Allows for certain exceptions. The Department may advertise in any manner that maximizes opportunities for organizations to bid.</p>

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Section Number	Description and History
	<p>Background: This section was first included in FY 1999-2000. The Office of Purchasing was already doing much of this, with two differences: (1) In order to comply with this section, departments must notify the Office of Purchasing of such RFP's so they can be posted appropriately, and (2) a full 14 days' notice on the website was not always completed. In FY 2017-18 the language was amended to add the requirement that all invitations to bid and requests for proposals must appear on the first page of each state department and agency dashboard.</p>
811	<p><u>Vietnam Veterans Memorial Monument Fund.</u> Authorizes the Department to receive and expend funds from the Vietnam Veterans Memorial Monument Fund as provided in the Michigan Vietnam Veterans Memorial Act, 1988 PA 234. Funds are appropriated and allocated upon receipt.</p> <p>Background: This section was first included in FY 2002-03.</p>
812	<p><u>Michigan Veterans Memorial Park Commission.</u> Authorizes the Commission to receive and expend money, including gifts, grants, donations, and appropriations, for the purposes described in Executive Order 2001-10, which established the Commission. Designates the funds as restricted revenue and allows them to be carried forward to the next fiscal year.</p> <p>Background: This section was first included in FY 2002-03. Executive Order 2001-10 charged the Commission with advising on the development, management, and maintenance of the Memorial Park, including operations, security, preservation, and State activities.</p>
813	<p><u>Motor Vehicle Fleet.</u> Administration of the State Motor Vehicle Fleet. Requires the Department of Technology, Management, and Budget to complete a project plan based on needs and cost savings to achieve the maximum value and efficiency from the State motor fleet. The Plan shall include the number of vehicles assigned to departments and agencies, efforts to reduce vehicle expenditures, the number of cars in the Fleet, the amount of State fuel tax that would have been incurred by Fleet vehicles if they were required to pay the tax, and information on Fleet garage operations. Requires annual report to the Legislature. Provides that revenue in excess of appropriations and unencumbered funds are restricted revenues and may be carried over to the succeeding fiscal year. Requires annual report on the status of the project plan. Finally, new language added in FY 2014-15 states that once notification is made to the House and Senate standing committees on appropriations, spending authorization and the IDG from the Motor Transport Fund in DTMB may be adjusted to ensure that the appropriations for the motor vehicle fleet equals the expenditures for motor vehicle fleet in the budgets for all executive departments and agencies.</p> <p>Background: First included in FY 2003-04. Language regarding carry forward and use of driver records was added in FY 2004-05. The language was modified in FY 2005-06 by requiring reporting on the number of miles driven, gallons of fuel consumed, fleet garage operations, and requiring DMB to develop a plan for the number of vehicles authorized for use by State departments and agencies. The language was again modified in FY 2006-07 to reflect the continuation of a plan for the operation of the Motor Vehicle Fleet. A new provision was also added in P.A. 153 of 2006 that authorizes DMB to charge State agencies for fuel costs that exceed \$3.04 per gallon. Language requiring the use of remanufactured parts for repairs was added in FY 2011-12 and deleted in FY 2015-16. In FY 2016-17 the State Budget Director was added to the list of recipients of the annual report on the status of the project plan.</p>

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Section Number	Description and History
814	<p><u>IT Investment Fund.</u> Requires the Department to develop a plan regarding the use of funds appropriated in Part 1 for the Enterprisewide IT Investments program. Language was expanded in FY 2014-15 to require the Department to notify the Legislature and the fiscal agencies when an IT investment project will require the transfer of \$500,000 or more from another project</p> <p>Background: First included in FY 2010-11. In FY 2016-17 the State Budget Director was added to the list of recipients of the notification.</p>
814a	<p><u>IT Investment Program Expansion.</u> Requires the Department to use any increase in funding for the program to be used for the modernization of state IT systems, improvement of the State's cyber security framework, and to achieve efficiencies.</p> <p>Background: First included in FY 2015-16. As cyber security issues become more of a concern, the State is finding that additional resources are needed to keep the State's IT information secure.</p>
816	<p><u>Privatization RFP Factors.</u> Language stipulates that DTMB shall include factors that will be used to evaluate and determine price related to requests for proposals issued for the purpose of privatization.</p> <p>Background: First included in FY 2011-12.</p>
818	<p><u>Michigan Law Enforcement Officers Memorial Act.</u> Authorizes DTMB to receive and expend funds for the Monument Fund pursuant to 2004 PA 177.</p> <p>Background: First included in FY 2004-05.</p>
820	<p><u>State Property.</u> Requires DTMB to make available to the public on the Internet, a list of all parcels of real estate that are available for purchase from the State.</p> <p>Background: First included in FY 2005-06.</p>
821	<p><u>Retirement Systems Report.</u> Requires the Office of Retirement Services to produce a report on the judges', military, Michigan public school employees', state employees', and the state police retirement systems.</p> <p>Background: First included in FY 2019-20. Language modified in FY 2020-21 to clarify that the report is annual.</p>
822	<p><u>Unclassified Salaries.</u> Requires the Department to compile a report by January 1 pertaining to the salaries of unclassified employees and gubernatorial appointees.</p> <p>Background: First included in FY 2009-10. Language modified in FY 2015-16 to remove online posting requirement of the report. Modified in FY 2020-21 to include State Budget Director as report recipient.</p>
822c	<p><u>Prohibition against use of State Funds for International Bridge.</u> Prohibits the use of any funds from Part 1 to be used for any staff efforts, projects, consultant expenses, or any other activity related to the development, financing, construction, operation, or implementation of the Gordie Howe International Crossing or any successor project.</p> <p>Background: First included in FY 2011-12.</p>

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822d	<p><u>DTMB Fees and Rates.</u> New language requires the Department to provide a report to the Legislature by December 31, 2014, that identifies fee and rate schedules to be used by State departments and agencies for services and must include an explanation of the factors that justify each fee and rate increase.</p> <p>Background: First included in FY 2014-15.</p>
822e	<p><u>Legacy Costs.</u> This language lists the authorized amount of the appropriations in Part 1 that may be used for legacy costs as well as an estimate of the amount of pension-related legacy costs. For FY 2019-20 pension-related legacy costs are estimated at \$40,670,000 and retiree health care legacy costs are estimated at \$42,992,000.</p> <p>Background: First included in FY 2014-15.</p>
822f	<p><u>Regional Prosperity Grants.</u> Describes the qualification process for the Regional Prosperity Grant Program and permits the Department to dedicate 0.3 FTEs to the evaluation and implementation of the initiative and grant management.</p> <p>Background: Language restored following Governor's FY 2019-20 veto in FY 2020-21, although no funding was appropriated.</p>
822g	<p><u>Legal Services Fund Expenditure Report.</u> Requires an annual report to the Legislature on legal services fund expenditures by case, purpose, and department involved.</p> <p>Background: First included in FY 2014-15. Language was modified in FY 2015-16 to change reporting requirement from quarterly to annually. In FY 2017-18 the language was amended to require the report to be released quarterly and to specify all current and previous appropriated funds be reported.</p>
822m	<p><u>Tracking Performance of Vendors.</u> Language states that the Department shall establish a system that collaborates with other departments to track the performance of vendors who are awarded contracts through the procurement process.</p> <p>Background: First included in FY 2016-17 as a means to measure the performance of vendors awarded contracts as a basis of being able to determine future awards to those vendors. In FY 2018-19 language was modified to require DTMB to provide the chairs of the House and Senate Subcommittees on General Government and the fiscal agencies with a listing of all departments that have not complied with the requirements of this section by March 15.</p>
822n	<p><u>Placement of all Contract Proposals on Department Website.</u> Language requires the Department to establish a publically accessible portal on the Department's website that displays all contract proposals for all State departments and agencies.</p> <p>Background: First included in FY 2016-17 to create a means for searching and locating all RFP's submitted to the State.</p>

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INFORMATION TECHNOLOGY

823 **State Website.** (1) Provides authority for the DTMB to sell and accept paid advertising, review and approve content of advertisement, and refuse or require modification to advertisements. Up to \$250,000 in revenue received under this section can be used for operating costs of the Department and technology enhancements. Funds in excess of \$250,000 are deposited in the State General Fund. (2) Authorizes the Department to accept gifts, donations, contributions, bequests, and grants to support cost of State website pages or services offered on website. (3) Funds from part 1 are appropriated when received and the Department must notify the Legislature within 10 days after the approval is given.

Background: This section was first included in FY 2001-02.

824 **Spatial Information and Technical Services.** Allows the DTMB to enter into agreements to supply spatial information and technical services to other departments, local units of government, and organizations. Provides for receipt and expenditure of funds relating to providing services, publications, maps, and other products in addition to amounts appropriated in Part 1. Includes reporting requirement to the General Government Subcommittees on revenues and expenditures.

Background: The listed services are provided by the Michigan Information Center. The Center operates from an internal service fund. It also provides these services to the public and municipalities. Reporting requirement added in FY 2004-05. In FY 2016-17 the State Budget Director was added to the list of recipients of the report. In FY 2020-21, the due date of the report was changed to December 31.

825 **SIGMA Access.** Provides for access to data contained within SIGMA for the Legislature and State departments.

Background: This section was first included when MAIN was implemented to guarantee access for the Legislature. Language was amended in FY 2017-18 to add the phrase "or its successor" due to MAIN being replaced by SIGMA on October 1, 2017. In FY 2018-19 all references were changed to SIGMA.

826 **Information Technology-Definitions.**
Defines information technology services as services involving all aspects of managing and processing information and lists examples including: "Cyber Security", "Social Media", and "Wireless Networking".

Background: This section restates a portion of Executive Order 2001-3 which created the Department.

827 **Michigan Public Safety Communications System (MPSCS).** Provides that money appropriated in Part 1 for the MPSCS shall be expended upon approval of an expenditure plan by the State Budget Director. Requires IT to assess subscribers of the system reasonable access and maintenance fees. Money received under this section shall be deposited into the Michigan Public Safety Communications System Fund and expended for support and maintenance of the MPSCS. Requires report and allows carry-forward of funds.

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	<p>Background: This language was previously contained in the Department of State Police budget. Prior to FY 2005-06, revenue received from access and maintenance fees was deposited in the State General Fund. Previously, the report was due on April 15 and October 15 of each year but requirement changed to April 15 only beginning in FY 2015-16. This section was amended in FY 2016-17 to require deposit of fees into the Michigan Public Safety Communications System Fund and added new language allowing for the carry forward of funds into succeeding fiscal year. Beginning in FY 2017-18 the reporting requirement was deleted, but a reporting requirement was re-inserted in FY 2019-20. Language added that year also allowed for carry-forward of funds.</p>
828	<p>Annual Report. Requires a quarterly report from the DTMB that lists the total amount of funding appropriated and corresponding expenditures for information technology services and projects by funding source for all departments and agencies.</p> <p>Background: First included in FY 2003-04. Report was changed from annual to quarterly for FY 2019-20. In FY 2020-21, changed to 30 calendar days after each fiscal quarter.</p>
829	<p>Life-Cycle of Hardware and Software. Requires the DTMB to provide a report by March 1, which analyzes and makes recommendations on the life-cycle of information technology hardware and software.</p> <p>Background: First included in FY 2003-04.</p>
830	<p>Enterprisewide IT Project Reporting. Requires a quarterly report on active and closed IT projects throughout all executive branch departments with information on the schedule, budget, cost, project changes, and project success scores for each project.</p> <p>Background: First included in FY 2018-19 to revise the prior reporting requirement that had been in place since FY 2008-09. Revised in FY 2019-20 to require an explanation for the origination of projects including if it was a state mandate, federal mandate, court order, or department initiative.</p>
831	<p>IT Invoices Requirement. Requires DTMB to submit monthly invoices for IT services provided by DTMB directly or through contracted vendors during that month to departments or agencies no later than 45 days after the final day of the month the services were provided.</p> <p>Background: Modified to 45 days after receiving approval to pay vendor invoices.</p>
832	<p>Child Support Enforcement System Report. Requires the Department to notify the Senate and House General Government Subcommittee and the fiscal agencies within 30 days of any potential penalties assessed by the federal government for failure of the program to achieve certification from the federal government. If penalties are assessed the Department must submit a report to the subcommittees and fiscal agencies within 90 days specifying the Department's plan to avoid the penalties and ensure certification of the program by the federal government.</p> <p>Background: First included in FY 2005-06.</p>
833	<p>Legislative Transfers. Provides for an automatic appropriation of an equal amount of user fees in the Department's budget for any transfer to or from the information technology line item within an agency budget to reflect the increase or decrease. Also provides for adjustments for initial appropriations.</p> <p>Background: First included in FY 2007-08. Modified in 2008-09 to account for initial appropriations. Departmental transfers were not being reflected in the IT budget.</p>

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834	<p><u>Antenna Site Management Fund.</u> Creates the fund and provides for the deposit of revenue and expenditures. Funds remaining at the end of the fiscal year shall be transferred to the appropriate state restricted funds. Language also prohibits an antenna from being placed on any site unless it complies with the respective local zoning codes and local unit of government processes.</p> <p>Background: First included in the DTMB budget in FY 2008-09 and was previously included in the Capital Outlay budget.</p>
835	<p><u>Census-Related Services.</u> Appropriates funds collected for census-related information and technical services, publications, statistical studies, population projections and estimates, and other demographic products. Provides carry-forward authorization. A report must be submitted to the legislature by March 1 detailing the amount of revenues collected and the amount of carry forward.</p> <p>Background: First included in FY 2009-10. Reporting requirement was added beginning in FY 2017-18.</p>
836	<p><u>Modernization of State IT Systems.</u> Language states that the increased funding shall be used to modernize the State's IT systems and integrate State system interfaces to improve customer service.</p> <p>Background: First included in FY 2016-17.</p>
838	<p><u>Clawback Provisions.</u> Requires that all new procurement contracts include clawback provisions in case of a breach of contract by a vendor.</p> <p>Background: First included in FY 2019-20. Modified in FY 2020-21 to require DTMB to develop policies and procedures.</p>
840	<p><u>Enterprise Portfolio Management.</u> Requires the Department to identify specific outcomes and performance measures including: Implementing an enhanced IT project management service delivery through statewide application of best practice models; collaboration with state agencies to bring all project management/project control office contracts under the enterprise portfolio management office; and to initiate steps to improve the state unified IT environment (SUITE) compliance rating.</p> <p>Background: First included in FY 2018-19.</p>
841	<p><u>Connecting Michigan Communities Broadband Grant Program.</u> Allows for the creation and Federal funding for a new broadband program focused on projects that expand broadband services to unserved areas of the state. This section includes stipulations on both the department for awarding of grants and on the potential recipients of those grants.</p> <p>Background: First included in FY 2020-21.</p>
STATE BUILDING AUTHORITY RENT	
842	<p><u>State Building Authority - Insurance.</u> Provides that appropriations in Part 1 may be used to pay insurance premiums and deductibles. Appropriates any shortage from the General Fund.</p> <p>Background: First included in FY 2005-06. Section was previously in the Capital Outlay Budget.</p>

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Section Number	Description and History
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CIVIL SERVICE

850 **One Percent Charges.** Provides that 1% from restricted funds for the Civil Service Commission be assessed on actual 1% restricted sources total aggregate payroll of classified service for the preceding fiscal year. Authorizes the Department, with the approval of the State Budget Director, to adjust 1% financings sources based on actual payroll expenditures.

Background: Specific restricted funding sources were previously listed, but the list was not exhaustive and some funds were not collected. The introduction of MAIN allowed for a boilerplate change to give the criteria of those sources paying the 1% in order to include as many restricted sources as possible. The provision regarding adjusting sources of financing was first included in FY 2005-06.

851 **Restricted Financing Shortfalls.** Provides that shortages shall be taken from carry forward balances of the funding sources used for payroll. Gives priority to expenses in the originating department over the Civil Service Commission. Provides that General Fund dollars are appropriated for any shortfall in 1% restricted resource assessments for aggregate payroll of the classified Civil Service.

Background: This mechanism has been in place for about 20 years. The Commission has not used it the last few years since it is not receiving the full 1% funding level. It provides for shortages in fund sources to be taken from carry-forward balances. If a carry-forward balance is not available, then the originating department has priority over the Civil Service Commission. The Department of Technology, Management, and Budget just credits the Civil Service Commission account with General Fund dollars for the amount of the shortfall of the Restricted fund source. The amount lapses back into the General Fund from the Civil Service Commission.

852 **Flexible Spending Account Program.** Enables the Civil Service Commission to deposit money into the State Sponsored Group Insurance, Flexible Spending Accounts, and COBRA Fund. Unspent money from the flexible spending accounts portion of the Fund would be used to offset the costs of administering the Flexible Spending Account program. Any remaining balance of unspent employee contributions will lapse to the General Fund.

Background: Departments realize a small savings when employees choose to participate in the flexible spending accounts. The Civil Service Commission charges a department for the necessary administrative costs and takes the expenses out of its savings. Any lapse to the General Fund is negligible since the Commission only charges enough to cover administrative costs. The program was transferred from the former Department of Management and Budget to the former Department of Civil Service by Executive Order 2002-13.

CAPITAL OUTLAY

860 **Definitions.** Provides various definitions contained in the appropriation act.

Background: First included in FY 2008-09.

861 **Capital Outlay Processes, Procedures, and Reports.** Refers to capital outlay project requirements under 1984 PA 431 (Management and Budget Act).

Background: First included in FY 2008-09.

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862	<p><u>Required Reports.</u> Requires that DTMB provide various detailed reports to JCOS and fiscal agencies with status of each planning or construction project financed with SBA funds as considered necessary.</p> <p>Background: First included in FY 2008-09. "As considered necessary" added in FY 2019-20.</p>
864	<p><u>Capital Outlay Funding Carry Forward.</u> Authorizes carry forward of capital outlay appropriations consistent with Section 248 of Management and Budget Act.</p> <p>Background: First included in FY 2008-09.</p>
865	<p><u>Site Preparation Economic Development Fund.</u> Establishes Site Preparation Economic Development Fund in DTMB; proceeds from sale of designated sites to be deposited into fund. Authorizes \$25.0 million cash advance from GF/GP to fund. Also, an annual report must be submitted to the House and Senate standing committees on appropriations by December 31 of each year.</p> <p>Background: First included in FY 2008-09.</p>

CAPITAL OUTLAY – UNIVERSITIES AND COMMUNITY COLLEGES

873	<p><u>Community College Requirements.</u> Provides that community college projects shall be no more than 50% State funded and 50% locally funded. State funds shall not be released unless all requirements under the appropriation bill have been met.</p> <p>Background: First included in FY 2010-11. Beginning in FY 2010-11, this section was moved into a new sub-heading for universities and community colleges.</p>
874	<p><u>State Funds in Proportion to Matching Funds.</u> States that if matching funds received are less than the appropriated amounts, State funds shall be reduced in proportion to the amount of matching funds received.</p> <p>Background: First included in FY 2010-11. Beginning in FY 2010-11, this section was moved into a new sub-heading for universities and community colleges.</p>
875	<p><u>Documentation Regarding Project Match.</u> Allows the Department Director to require community colleges and universities with authorized projects to submit documentation regarding the project match and that if that documentation is not submitted, the project authorization may terminate unless the JCOS convenes to extend the authorization.</p> <p>Background: First included in FY 2010-11. Beginning in FY 2010-11, this section was moved into a new sub-heading for universities and community colleges.</p>