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MICHIGAN HOUSE OF REPRESENTATIVES

JOE HAVEMAN
STATE REPRESENTATIVE

COMMITTEES:
APPROPRIATIONS, CHAIR
SUBCOMMITTEE:
CORRECTIONS

October 30, 2013

Mr. John Nixon
Office of the State Budget
Department of Management and Budget
6th Floor Romney Building
Lansing, MI 48090

Dear Director Nixon:

For your information, the attached transfer package has been approved by a majority of the members of both the House and Senate Appropriations Committees.

The transfers approved are from the Office of the State Budget letter dated September 17, 2013, Legislative Transfer Request 2013-10. The transfers are for the Department of Technology, Management and Budget.

If you need further information, please do not hesitate to contact us.

Sincerely,

Joseph Haveman, Chair
House Appropriations Committee

Roger Kahn, M.D. Chair
Senate Appropriations Committee

Attachment

LEGISLATIVE TRANSFER PACKAGE

 Mary Ann Cleary, Director Margaret Alston, Transfer Coordinator Compiled by Tumai Burris, Budget Assistant	Summary Sheet SBO LETTER: 2013-10 September 17, 2013	
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FY 2012-13				
Department	Analyst	Page	YTD Gross Authorization	Total Transfer
DTMB	Marilyn Peterson	1	\$1,143,973,600	\$6,900,000
Total				\$6,900,000

LEGISLATIVE TRANSFER

BUDGET AREA: **DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$6,900,000**

S.B.O. LETTER: **9/17/13**
 ANALYST: **Marilyn Peterson**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 10/23/13	BALANCE AVAILABLE AS OF 10/23/13	GOV'S REC. 9/17/13	SENATE ACTION 9/25/13	HOUSE ACTION 10/30/13
FROM: 107(4) TECHNOLOGY SERVICES						
Health and human services	261,710,500			(6,900,000)	(6,900,000)	(6,900,000)
Funding source:						
IDG from technology user fees	261,710,500	0	261,710,500	(6,900,000)	(6,900,000)	(6,900,000)
TO: SEC. 108(3) DEPARTMENT SERVICES						
Motor vehicle fleet	57,624,000			6,900,000	6,900,000	6,900,000
Funding source:						
IDG from motor transport fund	57,624,000	53,604,590	4,019,410	6,900,000	6,900,000	6,900,000

This transfer recognizes increases in motor vehicle expenditures that have been incurred by the various departments and agencies. Motor vehicle services are provided by the Department of Technology, Management and Budget (DTMB) and are funded with interdepartmental grant (IDG) revenues derived from the charges paid by the departments and agencies using those services. The transfer provides the increased IDG authorization necessary for the booking of motor vehicle expenditures to the appropriate line item in the DTMB budget. An analogous transfer was made for FY 2011-12, when a contingency fund transfer added \$4.0 million in IDG authorization to the motor transport fund.

According to the most recent DTMB figures, FY 2012-13 increases over the FY 2010-11 budgetary basis included:

- \$2.5 million for increased fuel costs, of which about \$1.9 million is attributed to 10.3 million additional miles driven and about \$600,000 is attributed to increased fuel prices.
- \$1.7 million for increased leasing costs associated with 488 additional vehicles. Both the Department of Human Services and the Department of State Police implemented policies with an increased emphasis on the performance of duties while on the road.
- \$1.4 million for increased maintenance costs due to increases in the number of miles driven.
- \$692,700 for relocation of the state motor pool in Lansing. A new facility under the Hall of Justice replaced a facility in the Transportation/Treasury basement.
- \$194,500 for removal and remediation of underground storage tanks at state police posts.
- \$638,000 for other administrative costs, such as staff hours associated with increased motor vehicle workload.

Increased costs were partially offset by about \$388,900 in insurance savings realized through rate decreases. Total FY 2012-13 expenses for the motor vehicle fleet are expected to be over \$65.7 million.

Excess authorization is available from the Health and Human Services line item within the Technology Services appropriation unit due to lower-than-anticipated spending as a result of staff turnover and temporary vacancies. Although no expenditures have been booked to this line as yet, DTMB expects expenditures to be about \$251 million, leaving about \$10.9 million in authorization for this transfer.