Department of Technology, Management, and Budget (DTMB)

- Authorized under **Management and Budget Act** (1984 PA 431), DTMB is the central service and management element of the Executive branch of state government. Merged with former Department of Information Technology under Executive Order 2009-55.

- Mission is to “provide vital administrative and technology services and information to enable Michigan’s reinvention.”

- Responsibilities include:
  - Developing and monitoring the state budget
  - State accounting functions
  - Internal audit
  - Purchasing
  - Managing and maintaining state property, including the motor vehicle fleet
  - Managing the state’s retirement systems
  - Providing information technology services and project support for state departments and agencies
Spending increases are due primarily to transfers from other departments, including: State Building Authority rent payments (FY 2007), Civil Service (FY 2008), Information Technology (FY 2011), and labor market statistics (FY 2011). Other major additions: new IT development and building maintenance funding (FY2013), and various one-time appropriations (FYs 2013, 2014 & 2015).
DTMB Share of State GF/GP

DTMB makes up 4.7% of the total state GF/GP budget

FY 2014-15 GF/GP Total = $10,116,704,100

- Community Health: $3,239,701,400 (32.0%)
- Corrections: $1,980,798,400 (19.6%)
- Higher Education / Community Colleges: $1,382,012,800 (13.7%)
- Human Services: $995,452,600 (9.8%)
- State Police: $414,171,000 (4.1%)
- Debt Service / SBA Rent: $406,965,600 (4.0%)
- Other: $1,218,503,800 (12.0%)

DTMB: $479,098,500 (4.7%)
SOURCES OF FUNDING
DTMB Funding Sources

FY 2014-15 DTMB Budget = $1,262,810,400
(Includes $26 million in one-time appropriations)

GF/GP $479,098,500 37.9%
IDG $677,671,700 53.7%
State Restricted $94,322,000 7.5%
Federal $7,974,100 0.6%
Local $3,553,700 0.3%
Private $190,400 0.0%
DEPARTMENT APPROPRIATIONS
DTMB Gross Appropriations

FY 2014-15 Total = $1,262,810,400
(Includes $26 million in one-time appropriations)
DTMB GF/GP Appropriations

FY 2014-15 Total = $479,098,500
(Includes $18.3 million in one-time appropriations)

- Technology Services
  - $111,715,100
  - 23.3%
- State Building Authority (SBA) Rent
  - $254,570,600
  - 53.1%
- Department Services
  - $37,855,100
  - 7.9%
- Capital Outlay
  - $23,000,000
  - 4.8%
- Civil Service Commission
  - $22,398,000
  - 4.7%
- One-Time Appropriations
  - $18,250,300
  - 3.8%
- Executive Direction
  - $668,200
  - 0.1%
- Special Programs
  - $10,641,200
  - 2.2%
DTMB Appropriations: Department Services

FY 2014-15 Total = $256,365,400

Primarily Interdepartmental Grant (IDG) revenues, reflecting the amounts other departments pay for various centralized services provided by DTMB.
Funds centralized operational services for DTMB, other state departments and agencies, colleges, universities, and other governmental units. Includes:

- **State Budget Office**
  - Prepares, presents, and executes the state budget office on behalf of the governor

- **Financial Services**
  - Accounts payable, billing, projections, contract and lease management

- **Office of Financial Management**
  - Accounting and payroll oversight, prepares Comprehensive Annual Financial Report (CAFR)

- **Office of the State Employer**
  - Labor contract negotiations, labor relations, statewide disability management, worker’s compensation

- **Business Support Services**
  - Purchasing operations, State Administrative Board, real estate services, interdepartmental mail, state records center
DTMB: Department Services

- **Building Operation Services**
  - Operation and maintenance of state buildings, equipment, and grounds; space assignment and design; building-related security, utilities, and parking

- **Design and Construction Services**
  - Project planning, architectural and engineering services, surveying, construction management, quality control for infrastructure improvements. Serves state agencies, universities, and community colleges.

- **Motor Vehicle Services**
  - Acquires and maintains the state’s motor vehicle fleet, manages and regulates use of state vehicles.

- **Bureau of Labor Market Information and Strategies**
  - Labor market information and statistics; economic and workforce data, research, and analysis; program measurement data and services. Transferred from Department of Licensing and Regulatory Affairs to DTMB by Executive Order 2011-4.
DTMB Appropriations: Technology Services

FY 2014-15 Total = $594,653,700

About 81% of DTMB’s IT Services funding consists of IDG-supported services to state agencies.
DTMB Appropriations: Technology Services

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DTMB Appropriations: Technology Services

- **IT services to state agencies ($480.7 million IDG):**
  - Fully-funded with IDG revenues. Each state department requests spending authority to fund IT-related activities and pays for services through interdepartmental grants.
  - Support and management for desktop computers, state mainframes, servers, local area networks
  - Application development and maintenance, software and software licensing
  - Telecommunications services, security, infrastructure, and support
  - IT contracting and project management

- **Homeland Security Initiative/Cyber Security ($9.1 million GF/GP):**
  - Cyber Security Operations Center under homeland security initiative
  - Protects Michigan’s critical infrastructure from cyber disruption

- **Enterprisewide Information Technology Investment Projects ($11.4 million GF/GP):**
  - Statewide IT initiatives targeting technology upgrades and automation opportunities
DTMB Appropriations: Technology Services

- Various Information Technology Investment Projects ($51.6 million GF/GP):
  - IT projects to upgrade and replace various legacy systems including:
    - General Government & Public Safety Project ($28.6 million GF/GP)
    - Health and Human Services Project ($6 million GF/GP)
    - MAIN System Replacement ($17 million GF/GP)

- Michigan Public Safety Communications System ($41.9 million GF/GP):
  - Development and maintenance of interoperable public safety communications system for local, state and federal agencies
DTMB Appropriations: Special Programs

FY 2014-15 Total = $32,880,100

- State Restricted: $22,388,900 (67.6%)
- GF/GP: $10,641,200 (32.4%)
DTMB Appropriations: Special Programs

Funds:

- **Executive/Legislative Building Occupancy ($1.1 million, all GF/GP)**
  - Space occupied by the Executive Office in the Romney Building in Lansing and Cadillac Place in Detroit

- **Retirement Services ($25.9 million Gross, $5.2 million GF/GP)**
  - Administers deferred compensation and retirement systems for state employees, public school employees, judges, state police, and the military

- **Office of Children’s Ombudsman ($1.8 million, all GF/GP)**
  - Monitors and investigates the child welfare actions and policies of the Department of Human Services (DHS) and child placement agencies
  - Works to ensure compliance with child welfare statutes and policies in the placement, supervision, and treatment of children in foster care and adoptive homes
  - Recommends policy and statute to the Legislature, Governor, and DHS
DTMB Appropriations: Special Programs

Funds:

- **Public Private Partnership ($1.5 million, all restricted revenues)**
  - State-private partnerships for capital improvements, energy projects, infrastructure projects, joint economic benefit ventures, financial incentives
  - Self-supporting through investment development revenue

- **Regional Prosperity Grants ($2.5 million, all GF/GP)**
  - Provides various grants to eligible regional planning organizations that collaborate on economic & workforce development, adult & higher education, and transportation
  - Additional $1 million appropriated as one-time funding
Civil Service Commission

- Funding is guaranteed by the State Constitution, Article XI, Section 5:

  “To enable the Commission to exercise its powers, 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, as certified by the commission.”

- Executive Order 2007-30 transferred all Department of Civil Service functions to DTMB and transferred all human resources functions from state agencies to the Civil Service Commission within DTMB
DTMB Appropriations: Civil Service Commission

FY 2014-15 Total = $69,129,200
DTMB Appropriations: Civil Service Commission

A large portion of the funding for the Civil Service Commission and associated personnel comes from the 1% levied by the Constitution on state classified payrolls.

* FY 2015 appropriated amounts
Civil Service Appropriations

- The Civil Service Commission is bipartisan, four-member body, appointed by the governor to serve 8 year, staggered terms

- State Personnel Director
  - Classified position selected by Civil Service Commission
  - Serves as principal executive officer of the Commission
  - Responsibilities include:
    - Classification of civil service positions according to duties and responsibilities
    - Fix compensation rates for all classes of positions
    - Approve/disapprove proposals for personal service contracts
    - Determine qualifications of candidates for classified service positions by competitive examination and performance on the basis of merit, efficiency, and fitness
    - Make rules and regulations covering all personnel transactions
    - Regulate all conditions of employment in the classified service
Civil Service Appropriations

Responsibilities of the Office of the State Personnel Director, continued

- Administer employee benefit programs
- Human resources services for all state departments, including audits of personnel and payroll transactions, necessary for acquiring and managing the state workforce
- Human Resources Management Network (HRMN), which provides an enterprise-integrated technological infrastructure to support major management functions, such as payroll, personnel, and employee benefits for all employees
- Administration of the state’s employee health, dental, vision, and life insurance plans
- Support for general and agency-specific training for all state classified employees
- Information technology-related services and projects which support Civil Service Commission activities
Other DTMB Appropriations

- **Statewide Programs ($1,095,000, all IDG)**
  Professional development for state employees, COBRA insurance premiums; funding negotiated in state collective bargaining agreements

- **Capital Outlay ($25.0 million total)**
  $23 million GF/GP for enterprisewide special maintenance (continuing maintenance projects for state-owned properties), plus $2.0 million IDG appropriations for major special maintenance, remodeling, and additions.

- **One-Time Appropriations ($37.3 million total)**
  - **Regional Prosperity Grants ($1 million, all GF/GP)**
    Economic and workforce development grants to regional planning organizations
  - **Capital Outlay- Enterprisewide Special Maintenance for State Facilities ($7 million, all GF/GP)**
    Supplements ongoing funding for maintenance and upkeep projects at state-owned properties; similar one-time appropriations were made for FYs 2013 & 2014
  - **Technology Services Funding ($6.9 million, all IDG)**
    Supports selected information technology projects
  - **Litigation Fund ($4 million, all GF/GP)**
    Support for state litigation costs
Other DTMB Appropriations

- **One-Time Appropriations ($37.3 million total), continued**
  - **Office of Urban Initiatives ($5 million, all GF/GP)**
    Works with foundations, community partners, and the Michigan Economic Development Corporation (MEDC) to establish policies and create a strategic framework for urban economic development
  - **Michigan Business One-Stop – Depreciation ($871,000, all GF/GP)**
    Funds remaining capitalization costs of program
  - **Special Projects ($1.3 million, all GF/GP)**
    $500,000 for bonus payments to National Guard retirees
    $250,000 for Catholic Charities Center for Hope in Genesee County
    $500,000 unspecified
State Building Authority (SBA) Rent Payments

- Funds rent payments to the State Building Authority for SBA-financed construction projects for state agencies, universities, and community colleges.

- The State Building Authority is authorized to issue and sell bonds and notes for acquisition and construction of facilities and equipment in an aggregate principal amount outstanding not to exceed $2.7 billion; not included in this limitation are bonds allocated for debt service reserves, bond issue expenses, bond discounts, bond insurance premiums, or certain refunding bonds.

- Executive Order 2013-8 transferred the State Building Authority, but not the administration of the rent payments, to the Department of Treasury.
DTMB Appropriations: SBA Rent Payments

FY 2014-15 Total = $254,570,600

- Universities: $124,825,300 (49.0%)
- State Agencies: $58,405,800 (22.9%)
- Corrections: $44,879,900 (17.6%)
- Community Colleges: $26,459,600 (10.4%)
For more information about the Technology, Management, and Budget budget, contact:

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