

The Recovery Act in Michigan

October 2009



The American Recovery and Reinvestment Act (Recovery Act), signed by President Obama on February 17, 2009 is an aggressive nationwide effort to create and save jobs and transform our economy.

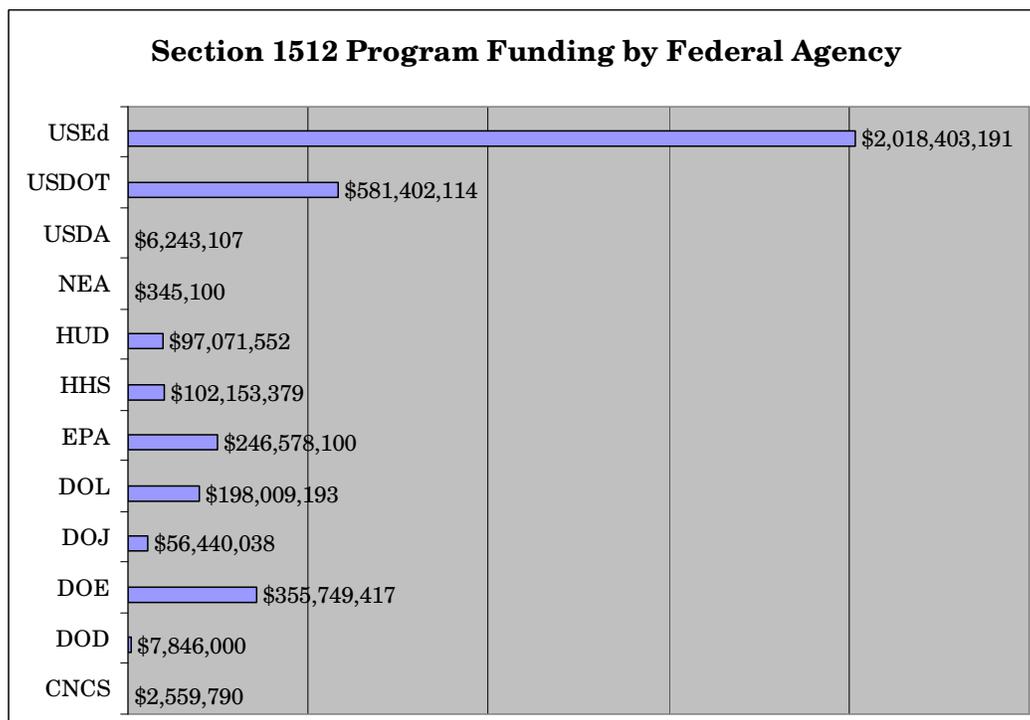
In Michigan, these funds provide a one-time opportunity to accelerate our plan to create jobs and diversify our economy. While Recovery Act funds will not resolve all of the challenges we face, this initiative is a critical step toward putting people back to work and investing in our long-term success.

The federal government requires an unprecedented level of data reporting and transparency regarding the spending of these funds. In Michigan, we too are committed to transparency and accountability in our expenditure of Recovery Act funds so citizens will know we are investing them wisely and responsibly on their behalf.

Section 1512 Reporting: October 10, 2009

Section 1512 of the Recovery Act requires that recipients of funding submit quarterly reports on their activities and spending. These reports are due to the federal government ten days after the close of each quarter, with the first Section 1512 reports due on October 10, 2009.

Thirteen state of Michigan agencies received funding under the Recovery Act from a variety of federal agencies, detailed in the chart below:



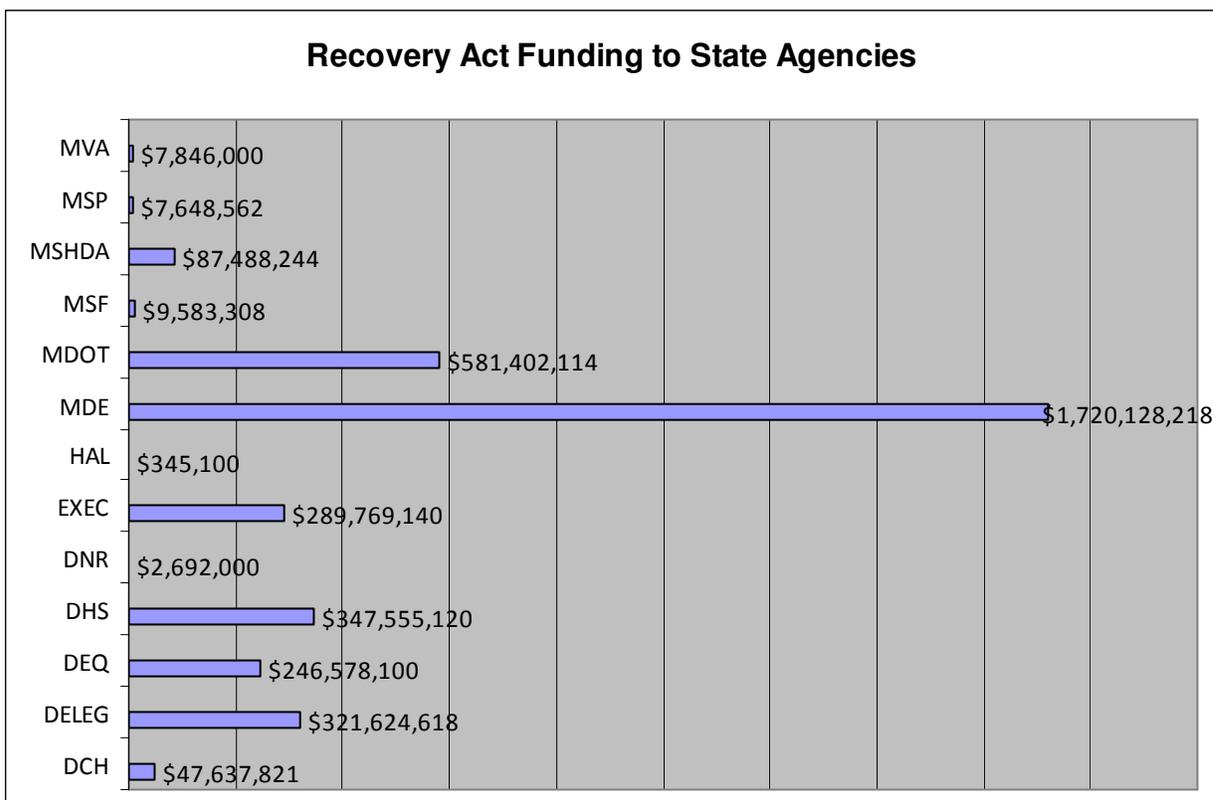
Under federal guidelines, state agencies that received Recovery Act funding were required to submit a separate report for each federal funding award they received. The Michigan Departments of Community Health, Environmental Quality, Human Services, Transportation, Natural Resources, Education, State Police, History, Arts & Libraries, Military & Veterans Affairs and Energy, Labor & Economic Growth along with the Executive Office, Michigan Strategic Fund and the Michigan State Housing Development Authority submitted a combined 432 reports.

In addition, non-state agencies, including municipal governments, universities, community colleges, tribal governments, non-profit organizations and for-profit companies are required to submit reports for each award they received through the Recovery Act. More than 1,300 non-state agencies are registered in the federal reporting system and were expected to complete Section 1512 reports.

NOTE #1: None of the spending activities reported by these non-state agencies is included in the statistics that follow. All reports from non-state agencies will be available to the public on October 30, 2009 at www.Recovery.gov.

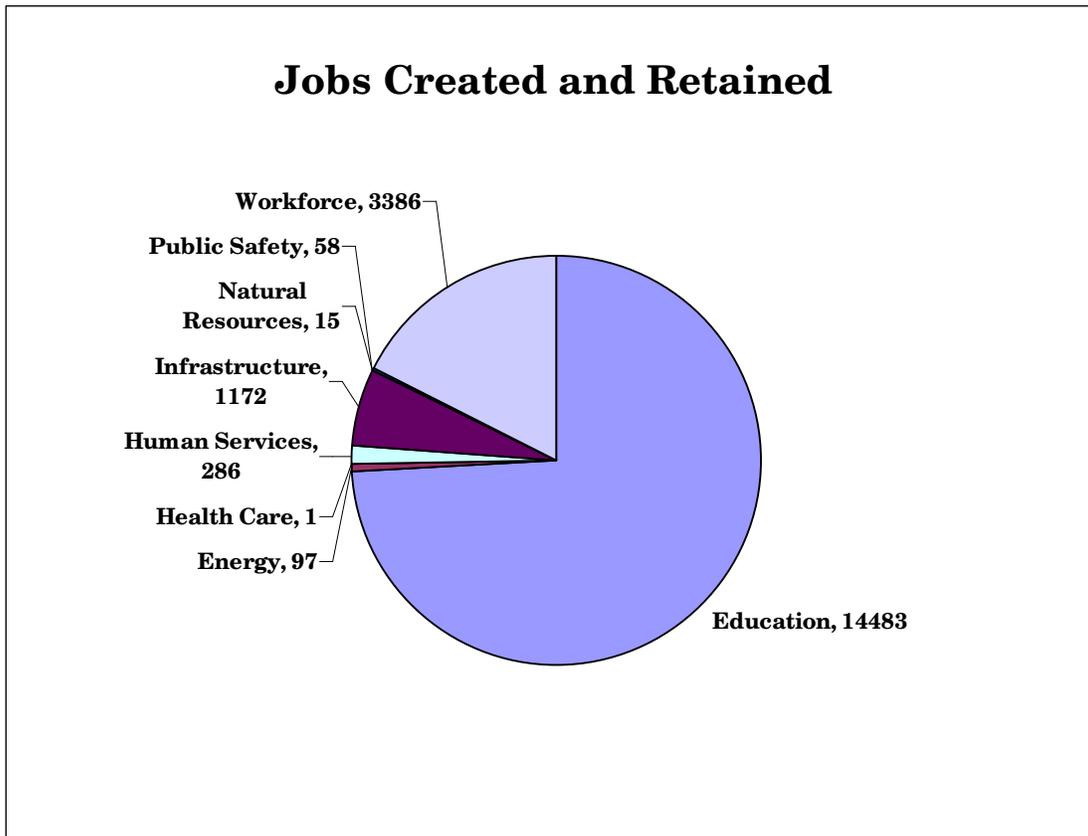
The state of Michigan's 432 reports showed:

- **\$3,670,298,345 has been allocated to state agencies in programs required to report.** The chart below highlights allocation by agency.



- **\$620,473,183 has been spent to date by state agencies and their sub-recipients in programs that must submit Section 1512 reports.**

- **19,498 jobs created or retained through spending in programs required to report.**
The chart below details job creation by category.



NOTE #2: All recipients have a 10 day review period during which they can edit their reports. As a result, all data should be considered preliminary until the close of the review period on October 20, 2009.

Additional Recovery Act Spending in Michigan

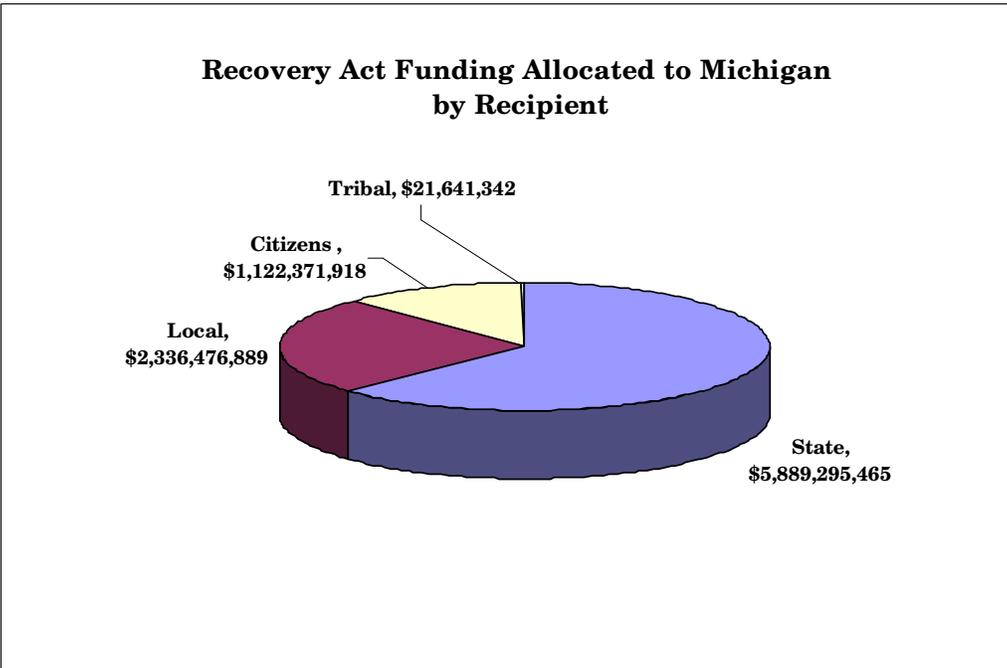
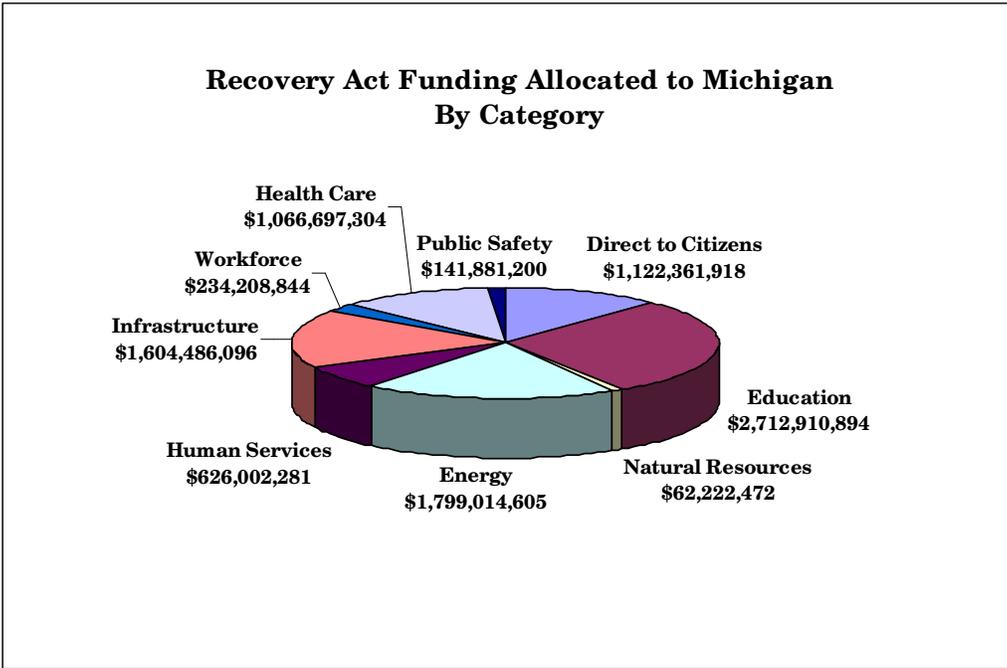
Not all programs receiving Recovery Act funding are required to submit Section 1512 reports. Entitlement programs, payments made directly to individuals and tax provisions are not covered by Section 1512. Major programs not included in the Section 1512 reports include Medicaid, unemployment benefits and food assistance payments.

In addition, funding provided directly to local communities, institutions of higher education, non-profit organizations, tribal governments and others is not captured in the state reports.

As a result, the information contained in the state's Section 1512 reports represents only a portion of the overall impact of the Recovery Act.

As of September 30, 2009, spending in state programs required to submit Section 1512 reports represented only 28.7% of the \$2,102,474.663 in total state spending of Recovery Act funds in Michigan.

Overall, Michigan recipients have been allocated more than \$9.3 billion from the Recovery Act to date. The charts below detail the allocations by program category and receiving entity.



The current economic climate has created many challenges for Michigan’s families and communities. The Recovery Act is helping meet those challenges by providing critical funding for our economic priorities: job creation, health care, education and job training, social service programs and more.