



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF HUMAN SERVICES
LANSING

ISMAEL AHMED
DIRECTOR

February 26, 2010

The Honorable Bill Hardiman, Chair
Senate Appropriations Subcommittee on DHS
305 Farnum Building
P.O. Box 30036
Lansing, Michigan 48909-7536

The Honorable Dudley Spade, Chair
House Appropriations Subcommittee on DHS
N991 House Office Building
P.O. Box 30014
Lansing, MI 48909-7514

Dear Senator Hardiman and Representative Spade:

Section 218(1) of 2009 Public Act No. 129 requires the Department of Human Services to prepare an annual report on the status of the Temporary Assistance for Needy Families (TANF) federal block grant. Our report for fiscal year 2010 is attached.

The attached report shows Michigan's projected TANF utilization and state spending countable against the TANF maintenance of effort requirements. While DHS is the single state agency responsible for this federal block grant, TANF revenues are budgeted in other state agencies as well. For fiscal year 2010, TANF revenues were appropriated to the Department of Labor and Economic Growth and the Department of Community Health.

If you have any questions regarding this information, please contact Jane Schultz, director of the DHS Budget Division, at (517) 241-2453.

Sincerely,

A handwritten signature in cursive script that reads "Ismael Ahmed".

Ismael Ahmed

Attachment

C: Senate and House Appropriations Subcommittee on DHS
Senate and House Fiscal Agencies
Senate and House Policy Offices
State Budget Director

DEPARTMENT OF HUMAN SERVICES

FISCAL YEAR 2010

**SUMMARY OF PROJECTED TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF) BLOCK GRANT UTILIZATION AND
STATE SPENDING COUNTABLE AGAINST THE MAINTENANCE OF EFFORT (MOE) REQUIREMENT
BASED ON 2009 PA 129 APPROPRIATIONS AND ENACTED BUDGETS FOR OTHER STATE AGENCIES**

TANF UTILIZATION	Projected TANF Utilization		Projected State Spending TANF MOE
	Direct TANF Draws	TANF Transfer to Title XX /1/	
DEPARTMENT OF HUMAN SERVICES:			
Executive Operations	\$7,208,960	\$2,887,313	\$1,325,000
Adult and Family Services	\$16,117,199	\$213,320	\$6,700,000
Children's Services	\$99,356,688	\$4,103,108	\$10,500,000
Juvenile Justice Services	\$113,552,724	\$9,244	\$0
Local Office Staff & Operations	\$108,088,588	\$17,058,669	\$4,000,000
Central Support Accounts	\$76,744,579	\$10,691,092	\$4,000,000
Public Assistance	\$395,488,701	\$1,350,821	\$22,042,200
Child Support Enforcement	\$0	\$1,147	\$0
Community Action and Economic Opportunity	\$183,714	\$0	\$0
Information Technology	\$20,269,180	\$1,093,952	\$0
Children's Rights Settlement /2/	\$0	\$3,051,833	\$0
SUBTOTALS, DEPARTMENT OF HUMAN SERVICES	\$837,010,333	\$40,460,500	\$48,567,200
DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH /3/	\$76,180,300	\$0	\$51,855,800
DEPARTMENT OF COMMUNITY HEALTH /4/	\$18,766,600	\$0	\$3,682,700
Department of Treasury - Scholarship swaps /5/	\$0	\$0	\$77,564,700
Department of Treasury - Earned Income Tax Credit (EITC) at 20% /6/	\$0	\$0	\$205,166,000
DEPARTMENT OF EDUCATION /7/	\$0	\$0	\$85,368,573
COLUMN TOTALS	\$931,957,233	\$40,460,500	\$472,204,973
PROJECTED TOTAL TANF TRANSFER TO TITLE XX /1/	\$40,460,500		
PROJECTED TOTAL TANF UTILIZATION	\$972,417,733		

COMPARISON OF PROJECTED TANF UTILIZATION TO TOTAL BLOCK GRANT AMOUNT

TOTAL TANF BLOCK GRANT AMOUNT FY 2010	\$775,352,900
PLUS FY 2009 TANF CARRYFORWARD	\$244,866,779
BLOCK GRANT AVAILABLE IN FY 2010	\$1,020,219,679
LESS PROJECTED TOTAL TANF UTILIZATION	\$972,417,733
EQUALS BALANCE OF BLOCK GRANT AVAILABLE	\$47,801,946

MAINTENANCE OF EFFORT SUMMARY

PROJECTED STATE SPENDING TANF MOE	\$472,204,973
LESS STATE MOE REQUIREMENT AT 80%	\$499,753,000
EQUALS PROJECTED MOE SURPLUS/(SHORTFALL)	(\$27,548,027)

Notes:

- /1/ TANF funds of up to 10% of the available TANF block grant of \$775.3 million may be transferred to the Title XX Social Services Block Grant pursuant to Sec. 404(d)(1)(a), Title I of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.
- /2/ Projected TANF draws in the Children's Rights Settlement appropriation unit are included in the projected direct TANF draws associated with the Children's Services appropriation unit.
- /3/ TANF funding in the Department of Energy, Labor & Economic Growth (DELEG) currently supports various work-related activities administered by that department. The Direct TANF Draws column reflects the enacted FY 2010 budget. The MOE column reflects Public Service Commission Low Income & Energy Efficiency Funds appropriated in the DELEG budget.
- /4/ The Direct TANF Draws column reflects TANF funds appropriated in FY 2010 to DCH support the Family Support Subsidy Program, which provides assistance to families with impaired children. The MOE column represents the state subsidy for the cost of Transitional Medical Assistance Program premiums that are shared by families and the state.
- /5/ FY 2010 enacted budget figures for scholarship funds in the Department of Treasury.
- /6/ The MOE-claimable portion of the Earned Income Tax Credit (at 20%).
- /7/ State spending in the Department of Education and in the School Aid Act for the Great Start Readiness Program, Great Parents/Great Start, and At Risk is reflected, based on the enacted FY 2010 budget. As much as \$80.5 million of this MOE funding may not materialize, should schools choose to exercise Sec. 11d of the School Aid Act that allows districts in FY2010 to apply their per pupil foundation reduction to categorical programs, including categoricals that are counted toward the TANF MOE spending requirement.